



LEGAL SERVICES CORPORATION

***** PUBLIC VERSION *****

Board of Directors Meeting

October 27-29, 2024

State Bar of Georgia
104 Marietta Street, NW
Atlanta, GA 30303

CONFIDENTIAL BOOK

Legal Services Corporation Quarterly Board of Directors Meeting October 27-29, 2024, Atlanta, GA

Schedule October 27-29, 2024

Venue State Bar of Georgia or Zoom (see details on pp. 2-3)

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1. October 2024 Board Meeting Schedule

PUBLIC SCHEDULE



QUARTERLY BOARD OF DIRECTORS MEETING

Monday, October 28 – Tuesday, October 29, 2024

In-person participation at the State Bar of Georgia (104 Marietta St. NW, Suite 100, Atlanta, GA 30303) or via Zoom videoconference

Monday, October 28, 2024

Start (ET)	End (ET)	Meeting/ Event	Location(s)
9:00 a.m.	10:30 a.m.	Audit Committee Meeting	State Bar of Georgia Conference Center ZOOM FOR OCT. 28 To join by computer, click here . Meeting ID: 891 5726 4167 Passcode: 102824
10:45 a.m.	11:45 a.m.	Presentations by Atlanta Legal Aid Society and Georgia Legal Services Program	
12:45 p.m.	2 p.m.	Finance Committee Meeting	

LSC Board of Directors Meeting Adjourns for the Day

3:00 p.m.	5:00 p.m.	Auxiliary Event: Forum on Increasing Access to Justice	State Bar of Georgia Conference Center Pre-registration is required for in-person attendance. Or watch the livestream on LSC's YouTube channel .
5:30 p.m.	7:30 p.m.	Auxiliary Event: Reception and Pro Bono Service Awards Presentation	Ventanas Atlanta 275 Baker Street, Atlanta, GA 30313 Pre-registration is required.

Tuesday, October 29, 2024

Start (CT)	End (CT)	Meeting/ Event	Location(s)
8:30 a.m.	10:30 a.m.	OPEN Board Meeting	State Bar of Georgia Conference Center ZOOM FOR OCT. 29 To join by computer, click here . Meeting ID: 883 9619 9799 Passcode: 102924
10:45 a.m.	11:30 a.m.	CLOSED Board Meeting	



2. Audit Committee



2.1. Audit Committee Meeting Agenda

AUDIT COMMITTEE

October 28, 2024

Agenda

OPEN SESSION

1. Approval of Agenda
2. Approval of Minutes of Committee's Open Session Meeting on July 22, 2024
3. Update on reassessment of the Committee's Charter (Audit Committee Charter (ACC) § D (2))
4. Update on the selection of external auditor and the scope and plan for LSC's forthcoming required annual financial statement audit (ACC §§ VII (1) and VIII A (1))
 - Tom Yatsco, *Inspector General*
 - Roxanne Caruso, *Assistant Inspector General for Audit*
 - Debbie Moore, *Chief Financial Officer & Treasurer*
5. Briefing by the Office of Inspector General (ACC § VIII A (3) and (ACC § VIII A (4)), to include:
 - a. Update on key activities and accomplishments over the last quarter, and overview of plans and key priorities for the next quarter,
 - b. Highlights of recently completed audit work, open recommendations as reported in the latest Semi-Annual Report to Congress, ongoing work, and plans for the next quarter, and
 - c. Highlights of recently completed investigative work, ongoing work, and plans for the next quarter.
 - Tom Yatsco, *Inspector General*
 - Roxanne Caruso, *Assistant Inspector General for Audit*
 - Daniel O'Rourke, *Assistant Inspector General for Investigation*
6. Review LSC's efforts, including training and education, to help ensure that LSC employees and grantees act ethically and safeguard LSC Funds (ACC § VIII C (6))
 - Lynn Jennings, *Vice President for Grants Management*
 - Debbie Moore, *Chief Financial Officer & Treasurer*
 - Stefanie Davis, *Deputy General Counsel for Regulations and Ethics Officer*

7. Management update regarding Risk Management (ACC § VIII C (1))
 - Will Gunn, *General Counsel & Corporate Secretary*
8. Office of Compliance and Enforcement briefing on referrals by the Office of Inspector General regarding Audit reports and annual financial statement audits of grantees (ACC § VIII A (5))
 - Lora M. Rath, *Director, Office of Compliance and Enforcement*
 - Tom Yatsco, *Inspector General*
 - Roxanne Caruso, *Assistant Inspector General for Audit*
9. Public Comment
10. Consider and Act on Other Business
11. Consider and Act on Motion to Adjourn the Open Session Meeting and Proceed to a Closed Session

CLOSED SESSION

12. Approval of Minutes of Committee's Closed Session Meeting on July 22, 2024
13. Office Compliance and Enforcement briefing on active enforcement matter(s) and follow-up on open Investigation referrals to and from the Office of Inspector General (ACC § VIII A (5))
 - Lora M. Rath, *Director, Office of Compliance and Enforcement*
 - Stuart Axenfeld, *Deputy Director, Office of Compliance and Enforcement*
14. Briefing by LSC Management Regarding Status of TN-4 Service Area
 - Ron Flagg, *President*
 - Lynn A. Jennings, *Vice President for Grants Management*
15. Briefing by LSC Management Regarding Significant Grantee Oversight Activities
 - Lynn A. Jennings, *Vice President for Grants Management*
16. Consider and Act on Motion to Adjourn the Meeting



2.2. Draft Minutes of the Audit Committee Meeting on July 22, 2024 (Open Session)

Legal Services Corporation
Board of Directors
Audit Committee Meeting Minutes

Open Session

Monday, July 22, 2024

Chairman Frank Neuner convened an open session meeting of the Legal Services Corporation’s (“LSC”) Meeting of the Audit Committee at 2:45 p.m. U.S. Central Time on July 22, 2024. The meeting took place remotely over Zoom videoconference and in-person in Minneapolis, MN. A transcript of the meeting is available on the LSC website here: [Audit Committee Meeting Transcript July 22, 2024](#).

The following Committee members attended the meeting:

Frank X. Neuner Jr., Chair
Victor B. Maddox
Laurie Mikva
Gloria Valencia-Weber
Robert E. Henley, Jr. (Non-Director Member)
John G. Levi, *ex officio*

Other Board members present:

Robert J. Grey, Jr.
Abigail Lawlis Kuzma
John G. Malcolm
Father Pius Pietrzyk, O.P.
Julie A. Reiskin
Ronald S. Flagg, *ex officio*

Also in attendance:

Jennifer Berger	Program Counsel, Legal Services Corporation
Carol A. Bergman	Vice President for Government Relations and Public Affairs, Legal Services Corporation
Jada Breegle	Chief Information Officer, Legal Services Corporation
Danielle Brooks	Chief Human Resources Officer, Legal Services Corporation
Porsha Brower	Director of Audit Operations, LSC Office of Inspector General

Chris Buerger	Chief Counsel, Civil Legal Services, National Legal Aid & Defender Association
Carolina Caicedo	Program Counsel, Legal Services Corporation
Roxanne Caruso	Assistant Inspector General for Audit, LSC Office of Inspector General
Beth Castillo	Senior Audit Program Analyst, LSC Office of the Inspector General
Stefanie Davis	Deputy General Counsel & Ethics Officer, Legal Services Corporation
Elena DiTraglia	Executive Coordinator, Legal Services Corporation
Maria Duvuvuei	Special Projects Manager, Legal Services Corporation
Will A. Gunn	General Counsel & Corporate Secretary, Legal Services Corporation
Helen Guyton	Deputy General Counsel, Legal Services Corporation
Allison Hallowell	Special Grant Program Coordinator, Legal Services Corporation
Andrew Hensel	Auditor, LSC Office of Inspector General
Ronké Hughes	Director, Office of Training and Technical Assistance, Legal Services Corporation
Selena Hunn	Deputy Director, Office of Program Performance, Legal Services Corporation
Mabel Imala	Director of Financial Services, Legal Services Corporation
Lynn Jennings	Vice President for Grants Management, Legal Services Corporation
Eric Jones	Network Engineer, Legal Services Corporation
Megan Lacchini	Deputy Director, Office of Compliance and Enforcement, Legal Services Corporation
Janet Lim	Program Counsel, Legal Services Corporation
David Maddox	Assistant Inspector General for Management and Evaluation, LSC Office of Inspector General
Caitlin Maziarz	Fiscal Compliance Analyst, Legal Services Corporation
Debbie Moore	Chief Financial Officer and Treasurer, Legal Services Corporation

Kevin Moran	Fiscal Compliance Analyst, Legal Services Corporation
Dan Morris	Executive Director, Central Minnesota Legal Services
Grace Nyakoe	Audit Director, LSC Office of Inspector General
Daniel O'Rourke	Assistant Inspector General for Investigations, LSC Office of Inspector General
Carolyn Perez	Program Counsel, Legal Services Corporation
Mayuris Pimentel	Program Counsel, Legal Services Corporation
Jessica Radbord	Program Counsel, Legal Services Corporation
Lora M. Rath	Director, Office of Compliance and Enforcement, Legal Services Corporation
Kate Reifenberg	Executive and Board Project Coordinator, Legal Services Corporation
Brittney Richardson	Auditor, LSC Office of Inspector General
Karly Satkowiak	Chief of Staff, Legal Services Corporation
Daniel Sheahan	Program Evaluation Analyst, LSC Office of Inspector General
Peter Shonerd	Production Manager, Diversified Reporting Services, Inc.
Magali Sosa-Triado	Program Counsel, Legal Services Corporation
Laurie Tarantowicz	Assistant Inspector General and Legal Counsel, LSC Office of Inspector General
Rose Taulton	Community Representative, Southern Arizona Legal Aid
Angela Tripp	Program Officer for Technology, Legal Services Corporation
Jessica Wechter	Special Assistant to the President, Legal Services Corporation
Christine Williams	Program Manager for Basic Field Competition, Legal Services Corporation
Tom Yatsco	Inspector General, LSC Office of Inspector General

The following summarizes actions taken by, and presentations made to, the Audit Committee:

Chairman Frank X. Neuner called the meeting to order at 2:45 p.m. U.S. Central Time.

Chairman Neuner asked the Committee to approve the agenda.

MOTION

Ms. Kuzma moved to approve the agenda. Ms. Mikva seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Neuner asked the Committee to approve the minutes from the March 25, 2024 open session meeting.

MOTION

Ms. Valencia-Weber moved to approve the open session minutes from the Committee's March 25, 2024 meeting. Mr. Henley seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Neuner asked the Committee to approve the minutes from the April 8, 2024 Combined Audit and Finance Committees open session meeting.

MOTION

Ms. Valencia-Weber moved to approve the open session minutes from the April 8, 2024 Combined Audit and Finance Committees meeting. Ms. Mikva seconded the motion.

VOTE

The motion passed by voice vote.

Ms. Rath provided an update on reassessment of the Committee's Charter.

Mr. Yatsco, Ms. Caruso and Mr. O'Rourke provided a briefing by the Office of Inspector General.

Mr. Gunn provided a management update regarding risk management.

Ms. Moore provided a management update regarding the Accounting Procedures Manual.

Ms. Rath, Mr. Yatsco and Ms. Caruso provided a briefing regarding follow-up by the Office of Compliance and Enforcement on referrals by the Office of Inspector General regarding Audit Reports and Annual Financial Statement Audits of grantees and answered questions from the Committee.

Chairman Neuner asked for public comment and received none. He asked the Committee to consider any other business.

Hearing none, Chairman Neuner asked for a motion to adjourn the open session meeting and proceed to closed session.

MOTION

Ms. Valencia-Weber moved to adjourn the open session meeting and proceed to closed session meeting. Ms. Mikva seconded the motion.

VOTE

The motion passed by voice vote.

Whereupon, at 3:33 p.m. U.S. Central Time, the open session of the Audit Committee was adjourned, and the closed session of the Audit Committee commenced.



2.3. Audit Committee Charter

CHARTER OF THE AUDIT COMMITTEE OF
LEGAL SERVICES CORPORATION
As Amended, October 18, 2016

I. Establishment

On March 24, 2008, the Board of Directors (“Board”) of the Legal Services Corporation (“LSC” or “Corporation”) established a standing Board advisory committee to be known as the Audit Committee (the “Committee”).

II. Purposes

The purpose of the Committee shall be: (1) to perform the functions delineated below as a means of assessing the matters addressed herein and advising the Board in fulfilling the Board’s responsibilities to ensure that the Corporation’s assets are properly safeguarded and to oversee the quality and integrity of the Corporation’s accounting, auditing, and reporting practices and, when warranted, report on such practices to the Board; and (2) to perform such other duties as assigned by the Board.

III. Membership

The Board or, upon delegation, the Chairman of the Board (“Chairman”) shall appoint at least three Directors other than the Chairman to serve on the Committee. The Board or, upon delegation, the Chairman shall appoint the Chair of the Audit Committee from among these Directors. The Board or, upon delegation, the Chairman may appoint non-Directors as members of the Committee. A majority of the Director members of the Committee (or two, if their number is even) will be required in order to constitute a quorum. No member of the Committee may be an officer or employee of the Corporation. To the extent practicable, members of the Committee should have at least a basic understanding of finance and accounting, be able to read and understand fundamental financial statements, and understand the Corporation’s financial operations and reporting requirements.

IV. Terms

Members of the Committee shall serve for a term of one year, or until their earlier resignation, replacement or removal from the Committee or Board.

V. Meetings

The Committee:

- (1) shall meet at least four times per calendar year, but may meet more frequently at the call of any member of the Committee; and
- (2) may adopt procedural rules that are not inconsistent with this Charter, the Corporation's Bylaws, or the laws to which the Corporation is subject.

VI. Resources

All office divisions and components of the Corporation ("Management"), including the Office of Inspector General ("OIG"), are expected to cooperate with all requests made by the Committee for information, and Management shall provide any necessary support. The Committee shall be given the resources necessary to carry out its responsibilities.

VII. Authority

The Committee:

- (1) shall, unless otherwise directed by the Board, annually review and discuss with the Inspector General (IG) the selection and retention of the external auditor (External Auditor) by the IG, and shall provide the Board with its assessment of the qualifications and independence of the External Auditor selected and retained by the IG;
- (2) shall have unrestricted access to the Corporation's books, records, facilities, personnel, and External Auditor(s), except with regard to confidential information in the possession of the OIG that it is prohibited by law from sharing with the Board;
- (3) is authorized to carry out the functions described in this Charter, as well as any other activities reasonably related to the Committee's purposes, or as may be directed by the Board from time to time;
- (4) may delegate authority to one or more designated members of the Committee;
- (5) may rely on the expertise and knowledge of Management, the OIG, External Auditor(s), and such consultants and experts that the Board approves for carrying out its oversight responsibilities;

- (6) may authorize to be conducted, or itself conduct, reviews into any matters within the scope of its responsibilities; and
- (7) may request that the Board require any person, including the External Auditor or any officer or employee of the Corporation, to attend Committee meetings or to meet with any member(s) of or advisor(s) to the Committee.

VIII. Duties and Responsibilities

A. Auditors and Audit Related Matters

To best understand audits and audit related matters in order to report to and properly advise the Board, the Committee shall:

- (1) review and discuss with Management, the OIG, and the Corporation's External Auditors the contemplated scope and plan for LSC's required annual audit;
- (2) review and discuss with the External Auditor(s), the OIG, and Management the annual audit report and results of the External Auditor's year-end audit, including any problems or difficulties encountered by the External Auditor(s); any response by Management or the OIG to any audit findings; any areas of significant disagreement between Management, the OIG, and the External Auditor(s); and any recommendations of the External Auditor(s);
- (3) review and discuss with the OIG its audit responsibilities and performance; its audit plan for the Corporation and the risk assessment that drives its audit plan; and the effectiveness of its audit plan and activities; and may suggest to the OIG the performance of any audits that would assist the Committee or the Board of Directors;
- (4) review and discuss with the OIG all significant matters relative to audits performed by the OIG, including any problems the OIG encountered while performing their audits, and thus better understand LSC's control environment;
- (5) review and discuss with Management and the Board the Corporation's response to and, where appropriate, timely implementation of significant findings and recommendations made by the OIG and External Auditor(s); and

- (6) review and discuss with Management any internal audit or review activities, including its audit or review plan, its audit or review reports, and the performance of those portions of Management that perform audits or reviews.

B. Financial Reporting

To best understand financial reporting at LSC in order to report to and properly advise the Board, the Committee shall:

- (1) review Management representation letters or certifications regarding the contents, accuracy, or completeness of financial reports, as appropriate;
- (2) review all issues identified and brought to the Committee's attention by Management, the OIG, the GAO or the External Auditor that may have a material effect on the Corporation's financial statements; and
- (3) review any significant deficiencies in internal control over financial reporting identified by Management, the OIG, or the External Auditor(s), and ensure that corrective action is taken by Management.

C. Risk Management

To best understand risk management issues at LSC in order to report to and properly advise the Board, the Committee shall:

- (1) review LSCs system of internal controls that are designed to minimize the risk of fraud, theft, corruption, or misuse of funds and, for such purpose, is authorized to receive information:
 - a. from Management about whether internal controls performed by Management are operating properly;
 - b. from the OIG about whether its investigations function, audit function, and compliance function are operating properly; and
 - c. from Management and OIG about whether there is proper coordination and communication between them regarding their respective operations designed to minimize the risk of fraud, theft, corruption, or misuse of funds.

- (2) ensure that its review of the OIG's investigations function occurs in a manner that does not compromise the OIG's independence or the confidentiality of its investigations;
- (3) consult with the Inspector General as to an appropriate approach regarding communications and meetings between the Committee and the OIG;
- (4) review any concerns expressed regarding any impediments to the independence of the OIG, and report to the Board on any such concerns;
- (5) itself verify and then confirm for the Board that there is a proper confidential mechanism in place for individuals to make complaints, anonymously if desired, regarding suspected fraud, theft, corruption, or misuse of funds, or problems involving internal controls, auditing, or accounting, and that there are proper procedures in place for the receipt, retention, and handling of such complaints; and
- (6) review LSCs efforts, including training and education, to help ensure that LSC employees and grantees act ethically and safeguard LSC funds.

D. Other Duties and Responsibilities

The Committee shall:

- (1) report to the Board at least four times per calendar year and on such other occasions as requested to do so by the Board;
- (2) periodically assess the Committee's performance under the Charter, reassess the adequacy of the Charter, and report to the Board the results of the evaluation and any recommendations for proposed changes to the Charter; and
- (3) perform such other duties, consistent with this Charter, as are assigned to the Committee by the Board.

IX. Overall Limitations

- (1) Nothing contained in this Charter is intended to expand the applicable standards of liability under statutory or regulatory requirements for the Board or its Directors.

- (2) Members of the Committee are entitled to rely on the expertise, knowledge, and judgment of Management, the Inspector General, and the External Auditor(s), and any consultant or expert retained by them. The Committee's responsibilities are not to be interpreted as a substitute for the professional obligations of others.
- (3) It is not the duty of the Committee to conduct audits or to determine that the Corporation's financial statements are in accordance with generally accepted accounting principles, generally accepted government auditing standards (the "Yellow Book") and other applicable rules, regulations, guidelines and instructions. These are the responsibilities of the OIG, the External Auditor(s), and Management.
- (4) Nothing contained in this Charter shall be construed as limiting the authority of the Inspector General under the Inspector General Act or is intended to restrict the authority of the Inspector General to conduct, supervise, and coordinate audits and investigations relating to the programs and operations of the Corporation.
- (5) The Committee is an advisory committee, as defined at D.C. Code §29-406.25(h), and nothing contained in this Charter shall be construed as authorizing the Committee to exercise the powers of the Board of Directors.

October 18, 2016



2.4. Slide Presentation: OIG's Audit and Investigative Products and Activities

Audit and Investigative Products and Results

LEGAL SERVICES CORPORATION
Board of Directors Meeting
Audit Committee – Open Session
October 28, 2024



OFFICE OF INSPECTOR GENERAL
LSC America's Partner
for Equal Justice
LEGAL SERVICES CORPORATION

1

Audit Highlights

Fiscal Years 2019-2024



2


2


Audit Highlights


October 1, 2018 - September 30, 2024

OIG Audit Reports

**26**
Audit Reports Issued


**423**
Recommendations Issued

**31**
IT Vulnerability Scans, Reports and Summaries


**\$866,259**
Questioned Costs

**407**
Recommendations Closed


Grantee Financial Statement Reviews & IPA Oversight


**813**
Financial Statements Reviewed

**330**
A-50 Findings Referred to LSC Management

**213**
Quality Control Reviews of Grantee IPAs

Grantee & IPA Outreach

**13**
Advisories & Other Issued Oversight Products

**9**
Virtual Presentations

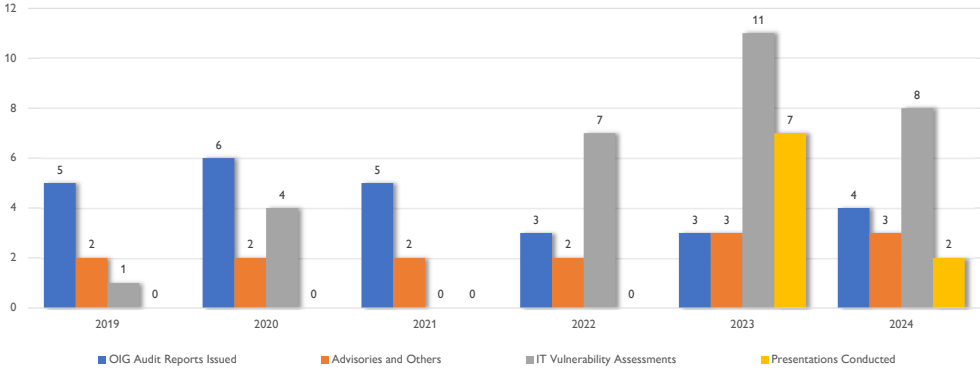
**LSC OIG Audit Guide**
Updated for 2023


3

3

Audit Products

Fiscal Year	2019	2020	2021	2022	2023	2024	Total
Audit Reports Issued	5	6	5	3	3	4	26
Advisories and Other Written Products	2	2	2	2	3	2	13
IT Vulnerability Assessments & Summaries	1	4	0	7	11	8	31
Virtual Presentations	0	0	0	0	7	2	9
Financial Statements Reviewed	144	117	163	132	127	130	813





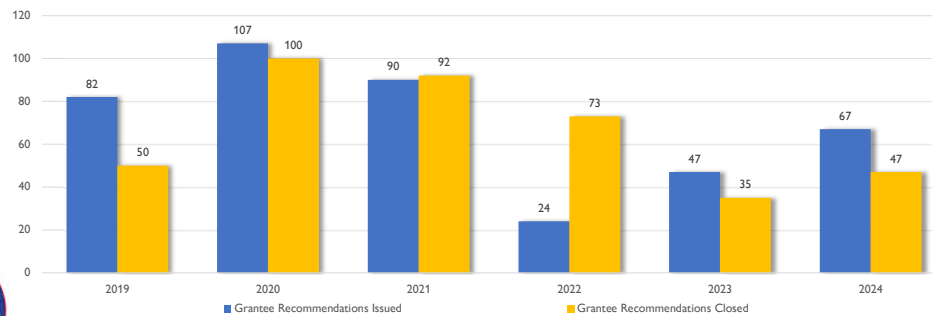
■ OIG Audit Reports Issued ■ Advisories and Others ■ IT Vulnerability Assessments ■ Presentations Conducted

4

4

Recommendations Issued and Closed

Fiscal Year	2019	2020	2021	2022	2023	2024
Recommendations to Grantees						
Recommendations Open at Start of Period	21	53	60	58	9	21
Recommendations Issued	82	107	90	24	47	67
Recommendations Closed	50	100	92	73	35	47
Recommendations to LSC Management						
Recommendations Pending at Start of Period	10	0	0	0	3	3
Recommendations Issued	0	0	0	6	0	0
Recommendations Closed	10	0	0	3	0	0

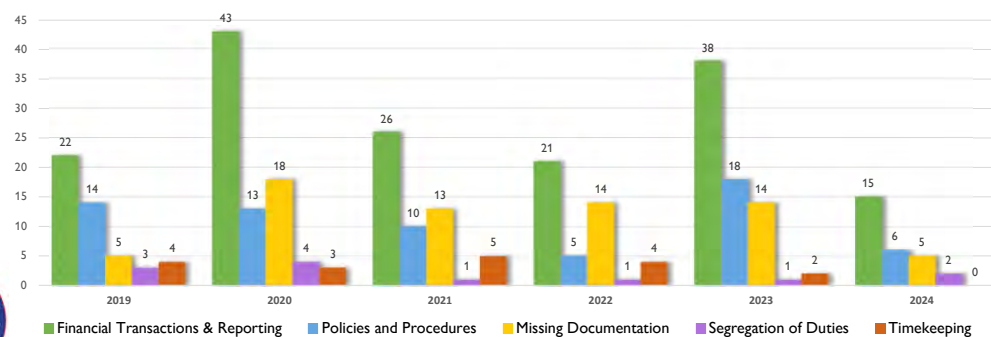


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Classification of A-50 Referrals

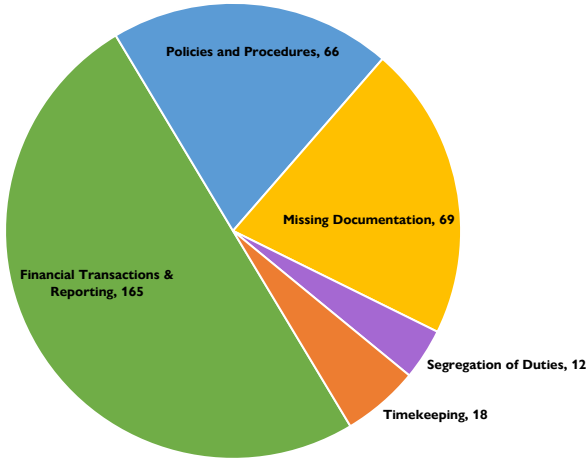
Fiscal Year	2019	2020	2021	2022	2023	2024
Financial Transactions & Reporting	22	43	26	21	38	15
Policies and Procedures	14	13	10	5	18	6
Missing Documentation	5	18	13	14	14	5
Segregation of Duties	3	4	1	1	1	2
Timekeeping	4	3	5	4	2	0
Total	48	81	55	45	73	28



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Classification of Referred A-50 Findings FY2019 - 2024

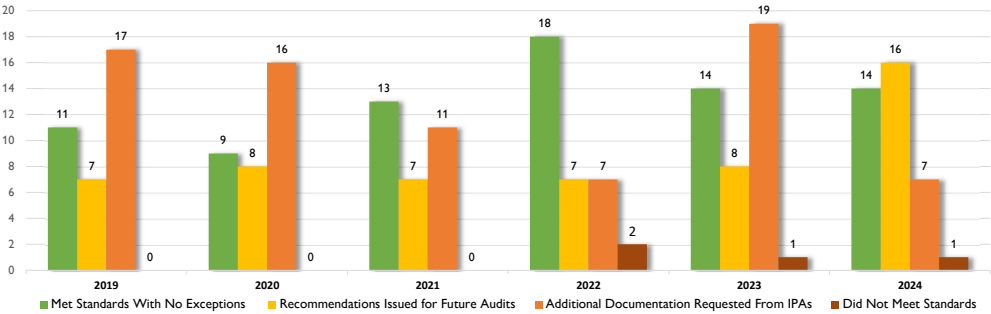


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IPA Quality Control Review Results

Fiscal Year	2019	2020	2021	2022	2023	2024
Met Standards With No Exceptions						
Total	11	9	13	18	14	14
Met Standards With Exceptions						
Recommendations Issued for Future Audits	7	8	7	7	8	16
Additional Documentation Requested From IPAs	17	16	11	7	19	7
Total	24	24	18	14	27	23
Did Not Meet Standards						
Total	0	0	0	2	1	1
Grand Total	35	33	31	34	42	38



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Investigations Highlights


Fiscal Years 2019-2024

9

Investigative Highlights

October 1, 2018 – September 30, 2024


OIG Investigations

 293 Investigative Reports Issued	 888 Hotlines	 \$5,198,497 Recoveries/Referrals
 159 Investigative Cases Opened	 9 Prosecutions	 174 Investigative Cases Closed

OIG Proactive Work

 44 Opened Fraud Prevention Reviews	 41 Fraud Advisories and Other Oversight Products	 45 Closed Fraud Prevention Reviews
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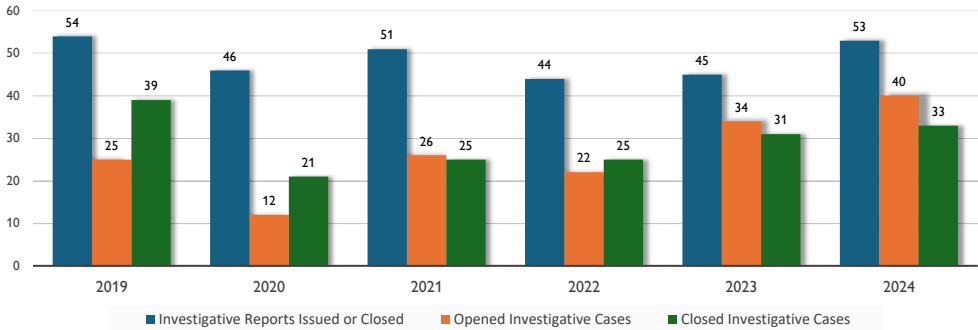
OIG Other Preventive Efforts

 LSC OIG Cybersecurity Webpage <i>continuously updated</i>	 42 Fraud Awareness Briefings and Presentations
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Investigative Work

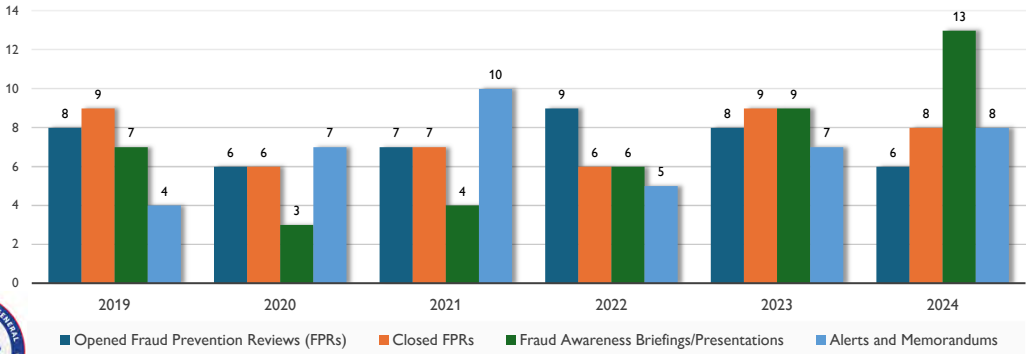
Fiscal Year	2019	2020	2021	2022	2023	2024
Investigative Reports Issued or Closed	54	46	51	44	45	53
Opened Investigative Cases	25	12	26	22	34	40
Closed Investigative Cases	39	21	25	25	31	33



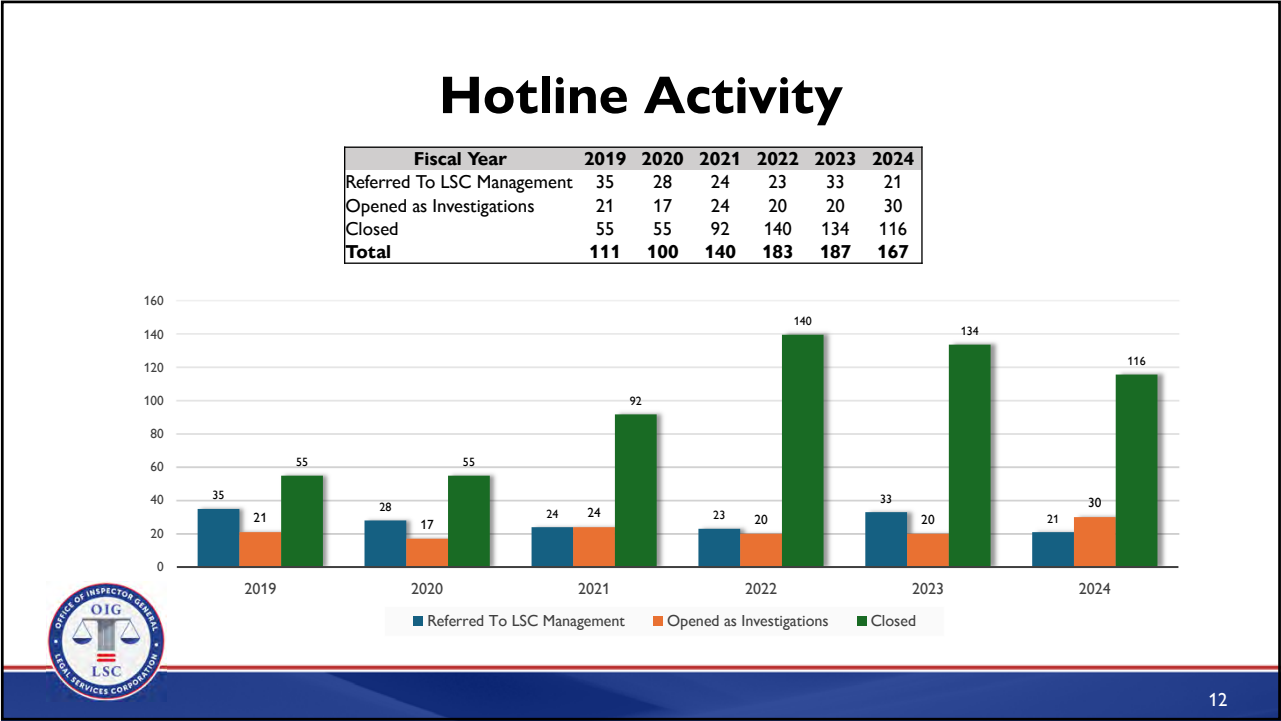
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Proactive Investigative Work

Fiscal Year	2019	2020	2021	2022	2023	2024
Opened Fraud Prevention Reviews (FPRs)	8	6	7	9	8	6
Closed FPRs	9	6	7	6	9	8
Fraud Awareness Briefings/Presentations	7	3	4	6	9	13
Alerts and Advisories	4	7	10	5	7	8



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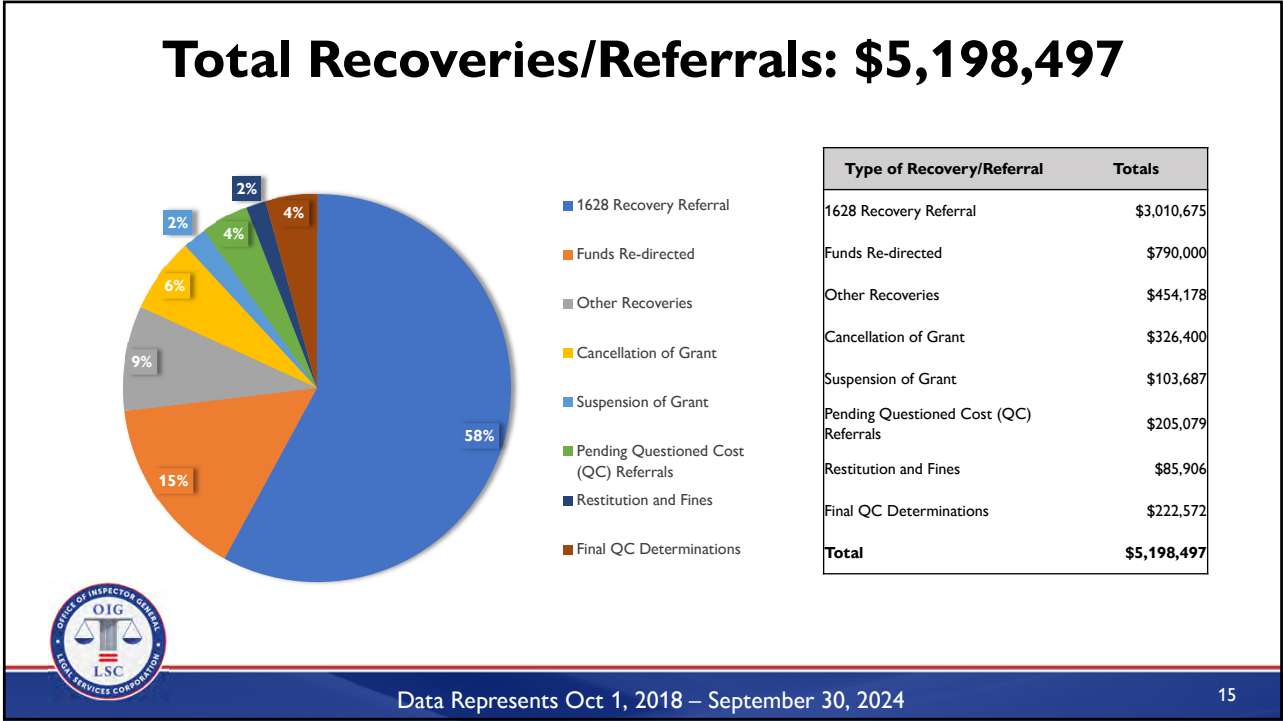
13

Prosecutions

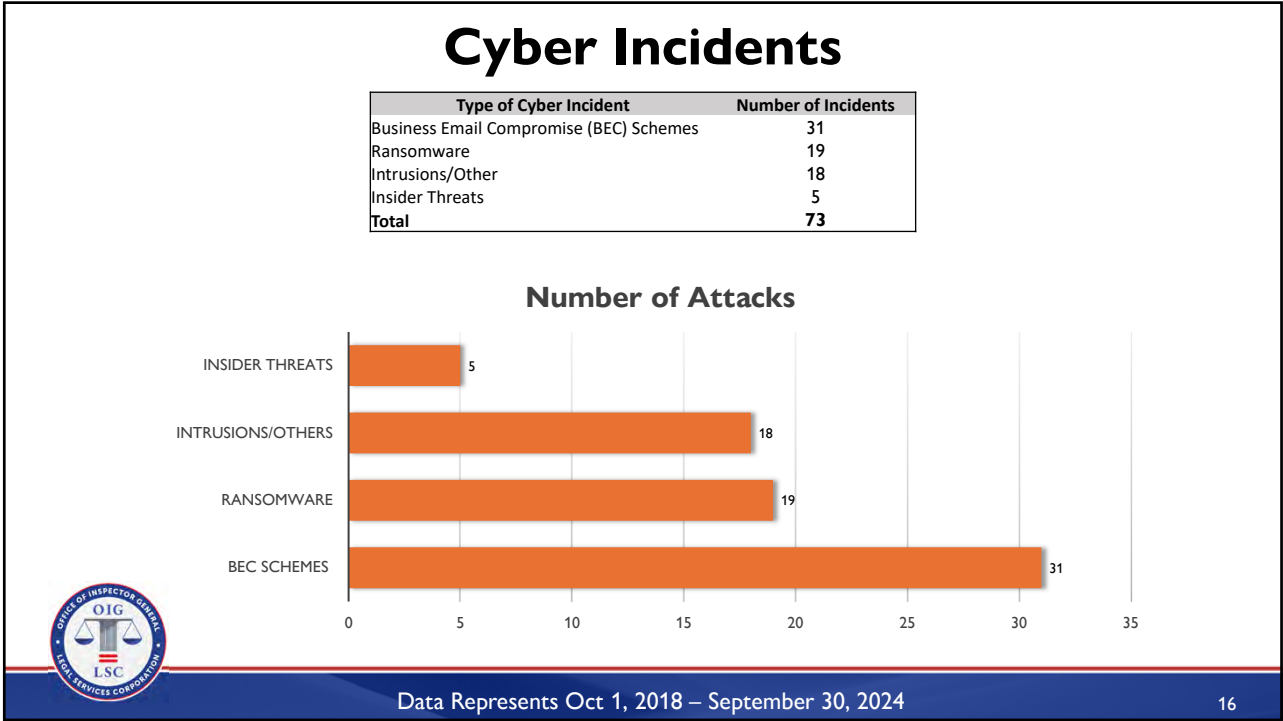
Position	Scheme	Charge(s)	Sentencing
Paralegal	Diversion of Clients	Theft; Burglary; UPL	2022
Paralegal	Diversion of Clients	Theft; Burglary; UPL	2022
IT Manager	Insider Threat	Computer Crimes	2021
Accountant	Petty Cash and Payroll Fraud	Theft	2020
Executive Director (subgrant)	Time and Attendance Fraud	Theft	2020
Staff Attorney	OPL; Diversion of Clients	Theft	2019
Program Manager	Travel Reimbursement Fraud; Identity Theft	Misappropriation of Funds	2019
Director of IT	Credit Card Fraud	Theft	2019
Secretary/Paralegal	Check Fraud	Theft	2019
9 Total Prosecutions and 5 Pending Prosecutions			

Data Represents Oct 1, 2018 – September 30, 2024

14



15



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2.5. Risk Management Matrix

Risk to LSC Resources - Operations

*Red text indicates an update since the last Board Meeting

*L, M, & H are equivalent to Low, Medium, and High respectively

Category		Risks		Mitigation Strategies		Who is Responsible?		Last Report to Board	Next Report to Board
	Risk	Risk Impact	Probability	Severity		Management	Board		
Board Leadership and Governance	Ineffective Management	<ul style="list-style-type: none"> Increased Oversight Reputational Harm 	L	H	<ul style="list-style-type: none"> Good information flow from management (including legal, financial, programmatic information) and from the OIG and outside auditors Board Ethics training and reporting Board DEI training Orientation of new board Evaluations/self-assessments Sufficient staff support Staying abreast of best board governance practices Staying abreast of stakeholder and client concerns Periodic review of governing documents to assure compliance and relevancy Directors and officers insurance 	President	Board, Chairman, Gov. & Performance Review Cmte.	06/24	10/24
	Lack of Effective Board Transition	<ul style="list-style-type: none"> Inadequately informed and prepared Board members 	M	M	<ul style="list-style-type: none"> Liaise with Presidential Personnel concerning Board nominations Board transition plan Orientation of new board members Develop and maintain Board Handbook 	Vice President for Government Relations, General Counsel (GC) & Corporate Secretary	Board, Chairman, Gov. & Performance Review Cmte.	10/19	As Needed
	Transition to new U.S. Presidential Administration	<ul style="list-style-type: none"> Potential for reduced or eliminated funding 	M	M	<ul style="list-style-type: none"> Planning for communications with new Administration Focus on building and maintaining bipartisan support in Congress 	Vice President for Government Relations, President	Board, Chairman, Gov. & Performance Review Cmte.	10/20	As Needed
	LSC Presidential Transition		L	M	<ul style="list-style-type: none"> Presidential transition plan 	President	Gov. & Performance Review Cmte	10/20	As Needed
LSC Management Leadership Transitions	Senior Leadership Changes		M	H	<ul style="list-style-type: none"> Transition plan 	President	Gov. & Performance Review Cmte.	10/20	As Needed
Management/IG Relations	Excessive/Ineffective Oversight	<ul style="list-style-type: none"> Breakdown in communication between Management and IG Ineffective operations 	M	H	<ul style="list-style-type: none"> Communicate, coordinate, cooperate Regular meetings 	President	Audit Cmte.	07/24	07/25
Management Leadership Performance	Leadership Problems	<ul style="list-style-type: none"> Ineffective operations Low morale Inability to carry out the mission 	L	H	<ul style="list-style-type: none"> Cultivate cohesive, effective management team Emphasize high performance standards Communicate regularly with board, staff, grantees, public, OIG Conduct regular performance evaluations 	President	Gov. & Performance Review Cmte.	03/24 (Presidents' Performance Eval)	01/25 (Officers Performance Eval)

Page		Risks		Mitigation Strategies		Who is Responsible?		Last Report to Board	Next Report to Board
Category	Risk	Risk Impact	Probability	Severity		Management	Board		
Management System Risks	Ineffective Performance Management	<ul style="list-style-type: none"> • Failure to achieve performance of defined goals including implementation of LSC Strategic Plan 	M	H	<ul style="list-style-type: none"> • Execute office plans • Training to ensure excellence and employee development • Conduct regular performance evaluations 	President & Chief HR Officer	Ops. & Regs. Cmte.	01/24	01/25
	Ineffective/Inadequate Human Capital	<ul style="list-style-type: none"> • Failure to attract, motivate and retain high quality staff • Inability to carry out LSC's mission 	M	H	<ul style="list-style-type: none"> • Professional training for staff and managers • Routine performance evaluations and feedback • Robust communications with employees • Target marketing to attract diverse applicants • Address staffing gaps and departures 	President & Chief HR Officer	Ops. & Regs. Cmte.	01/24	4/25
	Ineffective/Inadequate Information Management Systems and Protocols	<ul style="list-style-type: none"> • Failure to collect and share vital information • Problems with documentation, quality and integration of information and data 	M	H	<ul style="list-style-type: none"> • Maintain and enhance LSC's grants management system to ensure optimal grantee data sharing • Continue to refine and enhance existing systems to ensure LSC's IT infrastructure is operating properly • Periodically review the adequacy and relevance of the organization's IT infrastructure • Identify opportunities for improvement • Develop and implement plans to improve and integrate systems and protocols 	Vice President for Grants Management (VPGM), Chief Data Officer (CDO) & Chief Information Officer (CIO)	Ops. & Regs. Cmte. Audit Cmte.	04/22	As Needed
	Ineffective/Inadequate Procurement Process	<ul style="list-style-type: none"> • Higher contract costs and possible areas of fraud, waste, and abuse 	M	H	<ul style="list-style-type: none"> • Periodically review and strengthen procurement policies • Routine training of employees on policies and processes 	General Counsel (GC) & CFO	Audit Cmte.	04/22	As Needed
	Ineffective/Inadequate Operating Procedures	<ul style="list-style-type: none"> • Failure to timely develop, implement, maintain and update standard operating policies and procedures 	H	H	<ul style="list-style-type: none"> • Develop and memorialize strong operating procedures • Peer review of procedures • Management and staff training, and cross-training • Timely updating of procedures • Regular reports about and audits of procedures and implementation 	All Office Directors	Ops. & Regs. Cmte.	04/22	1/25
	Inadequate Health and Safety Protocols		M	M	<ul style="list-style-type: none"> • Review guidance on creating and maintaining safe building environment and work spaces • Implement changes and procedures and provide resources to create and maintain safe environment and work spaces 	Chief HR Officer & CIO	Ops. & Regs. Cmte.	01/22	As Needed

Page		Risks				Mitigation Strategies		Who is Responsible?		Last Report to Board	Next Report to Board
Category	Risk	Risk Impact	Probability	Severity		Management	Board				
Management System Risks	Inadequate LSC Building Physical Security		M	H	<ul style="list-style-type: none">• Periodic security audits• Onboarding/ training of employees• Regular review of Security Policy, including Threat Policy or procedures• Onsite security presence in building lobby• Regular meetings with building management	Chief HR Officer & CIO	Ops. & Regs. Cmte.	04/18	As Needed		
	Failure of Building Infrastructure		H	H	<ul style="list-style-type: none">• Periodic audits• Regular meetings with Building Management	Chief HR Officer & CIO	Ops. & Regs. Cmte.		As Needed		
Employee Conduct	Conflicts of Interest/ Professionalism, EEO, Hostile Work Environment, Ethics Violations, Political Activity Restrictions	<ul style="list-style-type: none">• Poor morale• Work performance• Litigation• Reputational risks• Funding risks	M	H	<ul style="list-style-type: none">• Employee Training• Regular reminders,• Emphasis on standards	Chief HR Officer, GC & Ethics Officer	Audit Cmte.	10/23	10/24		
Employee Travel	Harm to Employees on Travel	<ul style="list-style-type: none">• Harm to staff• Increased insurance costs• Decreased employee morale	M	H	<ul style="list-style-type: none">• Hired consultant to conduct travel risk assessment to evaluate LSC's travel protocols and recommend options for providing timely risk profiles for LSC's staff travel destinations	Vice President for Grants Management	Ops. & Regs. Cmte.		01/25		
Office Relocation	Construction Delays and Lease Extension	Disruption in operations, and damage to employee morale	M	H	<ul style="list-style-type: none">• Hire external project manager and assign internal project manager to oversee relocation work.	GC, CFO, CIO & Chief of Staff	Board	01/24	10/24		
Board Leadership and Governance	Legislative Transition and Leadership	Lack of understanding about LSC's mission and need for increased funding	M	H	<ul style="list-style-type: none">• Conduct outreach to staff of new members	VP Govt. Rel.	Board, Gov. & Perf. Rev. Cmte.		As Needed		
Vendor Management	Interruptions or Discontinuation of Operations	Inability to carry out LSC's mission	L or M	H	<ul style="list-style-type: none">• Contract reviews of contracts for mission critical systems• Implementation of a vendor management program• Documentation of vendor contact information and backup/ recovery information	CIO	Ops. & Regs. Cmte.	7/24	As Needed		

Risk to LSC Resources - Funding <i>*Red text indicates an update since the last Board Meeting</i> <i>*L, M, & H are equivalent to Low, Medium, and High respectively</i>							
Risks				Mitigation Strategies		Who is Responsible?	
Category	Risk	Risk Impact	Probability	Severity		Management	Board
Adequacy of Basic Field Funding	Insufficient Funding to Accomplish LSC's Mission of Providing Equal Access to Justice	• Fewer Americans served	H	H	<ul style="list-style-type: none"> • Public education • Strengthen congressional relationships • Develop stronger data to support funding requests, including data on outcomes and economic benefits of legal aid • Develop crisis-mode messaging and network 	VP for Government Relations/ Public Affairs (GRPA)	Finance Cmte
	Funding Cut So Severely that Programs must close altogether or radically cut back services	• Fewer Americans served	H	H		VP GRPA	Finance Cmte.
Adequacy of MGO Funding	Insufficient Management and Grants Oversight Funding	<ul style="list-style-type: none"> • Overall increased risk of fraud, waste and abuse • Inability to attract and retain high quality staff 	H	H	<ul style="list-style-type: none"> • Strengthen congressional relationships • Emphasize quantifying return on investment from oversight funding • Emphasize grants oversight function • Continue to assess MGO expenses to reduce any unnecessary duplication and inefficiencies 	VP GRPA & VP GM	Finance Cmte. & Gov & Perform. Review Cmte.
							07/24
Public Information	Misinformation about LSC and its Grantees	<ul style="list-style-type: none"> • Reduced ability to mobilize support for LSC's mission • Diversion of staff resources away from operations 	H	H	<ul style="list-style-type: none"> • Timely correction of the public record • Monitoring media sources • Train all staff to direct outside requests for information to GRPA 	VP GRPA & Director of Communications & Media Relations	Full Board
							As Needed

Risk to LSC Resources - Assets								
*Red text indicates an update since the last Board Meeting *L, M, & H are equivalent to Low, Medium, and High respectively								
Category	Risks			Mitigation Strategies		Who is Responsible?		Last Report to Board
	Risk	Risk Impact	Probability	Severity		Management	Board	Next Report to Board
Grants Management Process	Ineffective Grants Management	• Overall increased risk of fraud, waste and abuse	H	H	<ul style="list-style-type: none"> Review grantmaking processes and forms Review oversight and oversight visit processes Review grant funds management 	President, VP/GM, Director OP, Director OCE, & CFO	Audit Cmte	10/24
Financial Assets	Internal or External Fraud or Waste	• Overall increased risk of fraud, waste and abuse	M	H	<ul style="list-style-type: none"> Effective internal controls IG oversight Annual corporate audit Staff training on ethics and cyber security 	CFO Ethics Officer	Audit Cmte.	07/24 As Needed
Internal Financial Controls	Fraud and Waste at LSC	• Overall increased risk of fraud, waste and abuse	M	H	<ul style="list-style-type: none"> Management accountability Annual audit Board oversight Regular review/update of Accounting Manual Implement GAO recommendations and OMB guidance 	CFO	Audit Cmte. Finance Cmte.	07/24 As Needed
Solicitation and Use of Private Funds	Ethical Lapses Poor Stewardship Regulatory Penalties	<ul style="list-style-type: none"> Inability to raise significant funds from private sources Loss of trust among private donors Inability to solicit funds in a specific state 	M	H	<ul style="list-style-type: none"> Clear guidelines Management accountability Board oversight Project management Regular financial reporting Contract with Compliance Consultant for Charitable Solicitation Registration 	VP/GM, Director OIA, CFO, OLA, & Ethics Officer	Audit Cmte. Institutional Advancement	07/24 10/24
Employment Litigation	Liability	<ul style="list-style-type: none"> Negative publicity Low morale 	M	H	<ul style="list-style-type: none"> Regular training of managers Clear-cut policies and uniform application Effective negotiation and use of releases Employment practices liability insurance 	Chief HR Officer & GC	Entire Board	07/24 10/24
Integrity of Electronic Data/Information	<ul style="list-style-type: none"> Potential Disclosures of PII and Data Breaches Inadequate Security of Electronic Data 	<ul style="list-style-type: none"> Imposition of fines and penalties Financial loss Reputational risk 	H	H	<ul style="list-style-type: none"> Effective data back-up Effective disaster recovery Regular staff training Initial staff onboarding training Maintain qualified IT staff Effective document and system security Maintain up-to-date technology Cyber fraud insurance Crime policy insurance Develop/revise policies on personal equipment and software Periodic reviews of Data Sharing Agreements 	CIO	Audit Cmte.	10/23 01/25

Risk Mgmt Matrix - Assets

Category		Risks			Mitigation Strategies		Who is Responsible?		Last Report to Board	Next Report to Board
		Risk	Risk Impact	Probability	Severity		Management	Board		
Accuracy of Grantee Data	Inaccurate Data	• Inability to accurately assess outputs and effectiveness	M	H	• Data validation protocols (electronic analysis) • Clear guidance/training on grantee reporting • Improve Grantee Activity Reports to receive better data	VPGM, CDO, Director OPP & Director OCE	Ops. & Regs. Cmte.	4/20	As Needed	
LSC Records Management	• FOIA Compliance Issues and Litigation Discovery Problems • Failure to maintain institutional knowledge		M	M	• Update records management policy, including statement on the handling of confidential information • Train staff in new policy • Effective FOIA procedures • Stay abreast of best practices • Maintain effective data back-ups • Maintain effective security on electronic information access • Improve internal access to key records • Improve public access to records • Ensure compliance with legal requirements	GC & CIO	Ops. & Regs. Cmte.	01/22	As Needed	
Preservation of LSC Interest in Grantee Property	Potential for Financial Loss	• LSC's loss of interest in grantee-owned property	H	M	• Oversee compliance with real property regulations • Reports to LSC re: maintenance expenditures • Remind grantees of LSC policy • Pursue remedies as necessary	GC & Director OCE	Audit Cmte.	7/22	As Needed	
Continuation of Operations & Organizational Resilience	Discontinuation of Operations in Emergencies and Disasters	• Inability to perform the mission	H	H	• Effective COOP plan • Systems and equipment that allows LSC employees to work from anywhere • Monitor and address flood risk	Chief of Staff, CIO & CFO	Ops. & Regs. Cmte.	10/20	As Needed	
3333 K Street Building	Poor Stewardship by Supporting Organization	• Loss of asset value	H	H	• Collaborating with supporting organization to maximize value from the asset	GC & CFO	Audit Cmte.		As Needed	

Risk to LSC Resources - Grantees						
*Red text indicates an update since the last Board Meeting *L, M, & H are equivalent to Low, Medium, and High respectively						
Category	Risk	Risks	Probability	Severity	Mitigation Strategies	Who is Responsible?
Grantee Oversight by LSC & Auditors	Lapses in Oversight	<ul style="list-style-type: none">• Loss of trust by Congress and other funders• Reputational harm to LSC and grantees	M	H	<ul style="list-style-type: none">• Rigorous compliance oversight• Maintain comprehensive procedures manuals• Well-defined work plans for program visits• Careful review of grantee reports to LSC• Communications between offices• Internal training programs• Monitoring media reports• Annually review the risk assessment tool to help identify areas of needed increased oversight	VRGM, Director OCE, Director OPP Director ODGA
						Del. Of Legal Serv. Cmte., & Audit Cmte.
Interpretations of Regulations by LSC	Inconsistencies across regulations	<ul style="list-style-type: none">• Lack of compliance by grantees and difficulty conducting effective oversight	L	H	<ul style="list-style-type: none">• Joint meetings and trainings• Joint work groups by topic• Feedback from grantees	VRGM & GC
	Major misuse of grant funds		M	H		
	Failure of leadership		L	H		
	Failure of internal controls		M	H		
	Lack of board oversight		M	H	<ul style="list-style-type: none">• Rigorous selection process for grantees	
	Leadership Transitions		H	M	<ul style="list-style-type: none">• Enforcement of regulations• Special Grant Conditions• Grant conditions• Performance visits	
	Restriction Violations		M	H	<ul style="list-style-type: none">• Advisories• Program letters/OLA opinions• Compliance/fiscal visits	
	Poor records management		M	M	<ul style="list-style-type: none">• Training & technical assistance• Performance Criteria• Outreach to local boards• Local board education• Outreach to Access to Justice community in region• Review/define services• Seek interim provider• Cybersecurity training and vulnerability assessments	VRGM, Director OCE, Director OPP and GC
	Poor quality legal services		L	H		Del. Of Legal Serv. Cmte.
	Cybersecurity		H	H		
	Need to replace program		L	H		
Grantee Operations	Poor communications		M	M	<ul style="list-style-type: none">• Work with programs to improve compliance and reduce chances that they will violate restrictions or otherwise require the imposition of sanctions• Model COOP Plans• Monitor fund balances	
	Continuation of Ops & Org. Resilience		M	M		
	Fund balance risks		M	M		
					01/20 - Grantee Experiences with LSC 07/20 - State, local, and private funding 10/20 - California Sargent Shriver Counsel Act Evaluation 01/21 - Intake Procedures 07/21 - Grantee Cyber Security COVID-19: Lessons learned & innovations 10/21 - Business Model Changes Due to COVID-19 01/22 - Grantee programs conducting needs assessments 4/22 - Cybersecurity mitigation efforts 07/22 - Impact of COVID-19 on consumer law cases 10/22 - Disaster Legal Aid Panel 07/23 - Grant Activity Report Data 10/23 - Office of Training and Technical Assistance Update 04/24 - Update on the LSC Performance Criteria Revisions and Update on Oversight and Compliance 07/24 - Working with Unhoused Clients (No video, only transcript)	
						As Needed
						10/24

Responsibilities for Risk Management							
Board of Directors	President	General Counsel	VP for Grants Management	VP for GRPA	CFO	Executive Team	Office Directors
Sets strategic goals and objectives, adopts annual operating budget, and approves risk management plan.	Has overall responsibility for the effective implementation of the RMP.	Serves as advisor to the Board of Directors in legal matters, consulting outside counsel on an as needed basis.	Supervises oversight of grantee operations and compliance.	Responsible for planning and implementation of comms. with Congress and the public	Establishes, conducts, and maintains internal controls for financial transactions.	Oversees organization-wide effort to protect the vital assets of LSC	Review and recommend modifications to corporate risk management program.
Reviews operational reports to monitor progress towards goals as defined in Strategic Directions and assure compliance with organizational requirements.	Assigns staff to design and carry out risk management activities.	Advises senior staff on contracts; reviews contracts on an as needed basis.		Responsible for keeping Board and management team apprised regarding government relations	Purchases D&O insurance.	Convenes periodically to review the Corporation's priority risks and corresponding risk management strategies.	Supervise implementation of risk management strategies within their area of responsibility.
Adopts and establishes policies and regulations.	Assigns staff to perform annual review of the risk management activities.	Monitors implementation of risk management program.					
Reviews the organization's risk management plan (RMP).	Approves all grants for the Corporation.	Recommends any necessary modifications.					
Maintains working relationship with members of Congress.	Executes major contracts for the organization.						

Responsibilities for Risk Management							
Board of Directors	President	General Counsel	VP for Grants Management	VP for GRPA	CFO	Executive Team	Office Directors
Board Committees to review implementation of RMP.	Keeps the Board apprised of emerging threats and opportunities facing the organization.						
	Leads the Executive Team in periodic review and update of the risk management plan.						
	Gives final approval to the plan.						
	Maintains effective relationship with members of Congress and staff.						



2.6. OIG Audit Referrals to LSC's Office of Compliance and Enforcement



OFFICE OF COMPLIANCE AND ENFORCEMENT

TO: Audit Committee

FROM: Lynn A. Jennings, Vice President for Grants Management
Lora M. Rath, Director, Office of Compliance and Enforcement

DATE: October 7, 2024

SUBJECT: Status of Questioned Costs Referrals from the OIG Audit Division to LSC Management

The following details LSC Management's activities in Calendar Year (CY) 2024 related to questioned costs referrals from the Office of Inspector General's (OIG) Audit Division.

At the beginning of CY 2024, no questioned costs referrals were pending from the OIG's Audit Division. Two (2) new questioned costs referrals were received in January 2024. No additional referrals have been received. Both referrals are currently pending.

	Pending at Outset	Referred during Quarter	Closed during Quarter	Remaining Open at End of Quarter
Q 1	0	2	0	2
Q 2	2	0	0	2
Q 3	2	1	0	3
Q 4				

Summary of Calendar Year 2024 Activity

OIG Audit Referrals Pending at Beginning of CY 2024: 0

OIG Audit Referrals Received To Date During CY 2024: 3

OIG Audit Referrals Closed To Date During CY 2024: 0

OIG Audit Referrals Currently Open: 3

OIG Audit Referrals Closed Since Last Meeting: 0

October 7, 2024

RE: Status of Questioned Costs Referrals from the OIG Audit Division to LSC Management

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OIG Audit Referrals Currently Open: 3

- 1. Legal Action of Wisconsin, Inc.:** By email dated January 11, 2024, the OIG issued a referral of questioned costs based on its Final Report on Selected Internal Controls for Legal Action of Wisconsin, Inc. (LAW). The underlying report noted that LAW needs to strengthen its practices or formalize internal controls in writing for, among other areas, credit cards. The report indicated there were 13 credit card transactions for which the OIG was unable to determine the purpose of the expenditures. As a result, the OIG referred \$8,534 in questioned costs.

Upon request, the Office of Compliance and Enforcement (OCE) was given access to the OIG's work papers. OCE reviewed the OIG's work papers, as well as information provided by LAW to determine if we agreed with the amount to be questioned. As a result of that assessment, OCE lowered the amount to be recouped to \$1,926. LAW was able to provide supporting documentation to show that the remaining \$6,608 was either charged to a non-LSC funding source or properly allocated to LSC per 45 C.F.R. Part 1630 and LAW's cost allocation policy.

Of the \$1,926 to be recouped, \$270 is the result of the employee who incurred the costs charging all their time to a non-LSC funding source; therefore, all other charges incurred by this employee should be charged to that same funding source, and the remaining \$1,656 should have been classified as an indirect cost and allocated according to LAW's allocation methodology.

Given the amount involved, OCE determined to pursue informal negotiations rather than formal questioned costs proceedings. LAW agrees with the reduced amount and is in the process of reallocating the costs to non-LSC funding sources and replenishing the LSC funding line. OCE anticipates receiving evidence of these reallocations soon.

- 2. Legal Aid Foundation of Los Angeles:** By email dated January 12, 2024, the OIG issued a referral of questioned costs based on its Final Report on Selected Internal Controls for Legal Aid Foundation of Los Angeles (LAFLA). The underlying report noted that LAFLA needs to strengthen its practices or formalize internal controls in writing for, among other areas, employee benefits. The report indicated that significant internal control weaknesses were noted in the area of employee benefits. As a result, the OIG referred \$217,461 in questioned costs resulting from a lack of adequate supporting documentation and approvals, inaccurate law school loan reimbursement (LSLR) payments, ineligible employee reimbursements, and discrepancies over the LSLR accounting records. It should be noted that of the referred amount, only \$47,351 was allocated to LSC funds.

Upon request, the Office of Compliance and Enforcement (OCE) was given access to the OIG's work papers. OCE reviewed the OIG's work papers and contacted LAFLA to determine if additional documentation was available to support the payments made to staff. LAFLA

October 7, 2024

RE: Status of Questioned Costs Referrals from the OIG Audit Division to LSC Management

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provided multiple documents including ADP pay statements and its General Ledgers for 2020, 2021, and 2022. The assigned Fiscal Compliance Analyst worked with LAFLA to reconcile the payments made to staff between the ADP pay statements and the ledgers, to determine the correct amount to recoup from the grantee.

As a result of those efforts, OCE reduced the amount to be recouped to \$9,288.33. This amount is comprised of \$7,785.33 of Law School Loan Reimbursement ("LSLR") overpayments charged to LSC and \$1,503 in LSC funds paid to an ineligible LAFLA employee.

For the \$7,785.33, the initial amount referred, \$23,737, was reduced by subtracting amounts which had been charged to non-LSC funding sources. For the \$1,503, the initial amount referred was \$8,799. After reviewing evidence provided by LAFLA, OCE determined the employee was eligible to participate in the program. The reduction was made based on the allocating the expenses as indirect rather than fully to LSC funds.

Finally, OCE was able to fully reconcile the general ledger details to LAFLA's ADP reports and individual reimbursement transactions. Therefore, no further recoupment, beyond the \$9,288.33 described above is deemed necessary.

Given the amount involved, OCE determined to pursue informal negotiations rather than formal questioned costs proceedings. LAFLA agrees with the reduced amount and is in the process of reallocating the costs to non-LSC funding sources and replenishing the LSC funding line. OCE anticipates receiving evidence of these reallocations soon.

3. **Northwest Justice Project:** By email dated July 8, 2024, the OIG issued a referral of questioned costs based on its Final Report on Selected Internal Controls for Northwest Justice Project (NJP). The underlying report noted that the OIG could not determine if \$38,623 in attorneys' fees was proportionately allocated in accordance with 45 C.F.R. § 1609.4(b). The report also found that NJP deviated from its written policies, resulting in \$4,164 in LSC funds being paid to employees who were ineligible for the Law Student Loan Repayment Assistance Program (LSLRA).

OCE is currently reviewing the OIG's report and supporting documentation to determine if we agree with the amount to be questioned. We will reach out to NJP as necessary.

Reconciliation of OIG Questioned Costs to Amounts Recouped on Closed Referrals

No questioned costs referrals from the OIG's Audit Division have been closed to date in CY 2024.

Open and Recently Closed OIG Audit Questioned Costs Referral Chart Thru September 30, 2024

1. Legal Action of Wisconsin, Inc.						
Audit Period: January 1, 2021 to September 30, 2022						
Date of OIG Report/ Memo	Date of OIG Referral to OCE	OIG Referral - Amount	LSC Action	Date Closed	Amount Disallowed by LSC	Resolution
1/11/24	1/12/24	\$8,534	<p>By email dated January 11, 2024, the OIG issued a referral of questioned costs based on its Final Report on Selected Internal Controls for Legal Action of Wisconsin, Inc. (LAW). The underlying report noted that LAW needs to strengthen its practices or formalize internal controls in writing for, among other areas, credit cards. The report indicated there were 13 credit card transactions for which the OIG was unable to determine the purpose of the expenditures. As a result, the OIG referred \$8,534 in questioned costs.</p> <p>Upon request, the Office of Compliance and Enforcement (OCE) was given access to the OIG's work papers. OCE reviewed the OIG's work papers, as well as information provided by LAW to determine if we agreed with the amount to be questioned. As a result of that assessment, OCE lowered the amount to be recouped to \$1,926. LAW was able to provide supporting documentation to show that the remaining \$6,608 was either charged to a non-LSC funding source or properly allocated to LSC per 45 C.F.R. Part 1630 and LAW's cost allocation policy.</p> <p>Of the \$1,926 to be recouped, \$270 is the result of the employee who incurred the costs charging all their time to a non-LSC funding source; therefore, all other charges incurred by this employee should be charged to that same funding source, and the remaining \$1,656 should have been classified as an indirect cost and allocated according to LAW's allocation methodology.</p> <p>Given the amount involved, OCE determined to pursue informal negotiations rather than formal questioned costs proceedings.</p>		\$1,926	LAW agrees with the reduced amount and is in the process of reallocating the costs to non-LSC funding sources and replenishing the LSC funding line. OCE anticipates receiving evidence of these reallocations soon.

Audit Scope: January 1, 2020 to February 28, 2022

Date of OIG Report/ Memo	Date of OIG Referral to OCE	OIG Referral - Amount	LSC Action	Date Closed	Amount Disallowed by LSC	Resolution
1/11/24	1/12/24	\$217,461	By email dated January 12, 2024, the OIG issued a referral of questioned costs based on its Final Report on Selected Internal Controls for Legal Aid Foundation of Los Angeles (LAFLA). The underlying report noted that LAFLA needs to strengthen its practices or formalize internal controls in writing for, among other areas, employee benefits. The report indicated that significant internal control weaknesses were noted in the area of employee benefits. As a result, the OIG referred \$217,461 in questioned costs resulting from a lack of adequate supporting documentation and approvals, inaccurate law school loan reimbursement (LSLR) payments, ineligible employee reimbursements, and discrepancies over the LSLR accounting records. It should be noted that of the referred amount, only \$47,351 was allocated to LSC funds.		\$9,288.33	LAFLA agrees with the reduced amount and is in the process of reallocating the costs to non-LSC funding sources and replenishing the LSC funding line. OCE anticipates receiving evidence of these reallocations soon.
			Upon request, the Office of Compliance and Enforcement (OCE) was given access to the OIG's work papers. OCE reviewed the OIG's work papers and contacted LAFLA to determine if additional documentation is available to support the payments made to staff. LAFLA provided multiple documents including ADP pay statements and its General Ledgers for 2020, 2021, and 2022. The assigned Fiscal Compliance Analyst worked with LAFLA to reconcile the payments made to staff between the ADP pay statements and the ledgers, to determine the correct amount to recoup from the grantee.			
			As a result of those efforts, OCE reduced the amount to be recouped to \$9,288.33. This amount is comprised of \$7,785.33 of Law School Loan Reimbursement ("LSLR") overpayments charged to LSC and \$1,503 in LSC funds paid to an ineligible LAFLA employee. For the \$7,785.33, the initial amount referred, \$23,737, was reduced by subtracting amounts which had been charged to non-LSC funding			

			<p>sources. For the \$1,503, the initial amount referred was \$8,799. After reviewing evidence provided by LAFLA, OCE determined the employee was eligible to participate in the program. The reduction was made based on the allocating the expenses as indirect rather than fully to LSC funds.</p> <p>Finally, OCE was able to fully reconcile the general ledger details to LAFLA's ADP reports and individual reimbursement transactions. Therefore, no further recoupment, beyond the \$9,288.33 described above is deemed necessary.</p> <p>Given the amount involved, OCE determined to pursue informal negotiations rather than formal questioned costs proceedings.</p>			
3. Northwest Justice Project						
Audit Period/Field Work: July 11, 2023 – September 22, 2023						
Date of OIG Report/ Memo	Date of OIG Referral to OCE	OIG Referral - Amount	LSC Action	Date Closed	Amount Disallowed by LSC	Resolution
7/8/2024	7/8/24	\$43,086	<p>By email dated July 8, 2024, the OIG issued a referral of questioned costs based on its Final Report on Selected Internal Controls for Northwest Justice Project (NJP). The underlying report noted that the OIG could not determine if \$38,623 in attorneys' fees was proportionately allocated in accordance with 45 C.F.R. § 1609.4(b). The report also found that NJP deviated from its written policies, resulting in \$4,164 in LSC funds being paid to employees who were ineligible for the Law Student Loan Repayment Assistance Program (LSLRA).</p> <p>OCE is currently reviewing the OIG's report and supporting documentation to determine if we agree with the amount to be questioned.</p>			



OFFICE OF COMPLIANCE AND ENFORCEMENT

TO: Audit Committee

FROM: Lynn A. Jennings, Vice President for Grants Management
Lora M. Rath, Director, Office of Compliance and Enforcement

DATE: October 7, 2024

SUBJECT: Status of A-50 Referrals from the OIG Audit Division to LSC Management

The following chart details LSC Management's activities related to A-50 referrals from the Office of Inspector General's (OIG) Audit Division to date in Calendar Year (CY) 2024. At the beginning of CY 2024, 63 referral topics related to 33 grantees were pending. To date in CY 2024, five new referral topics have been received and 39 referral topics have been closed. Currently, there are 29 referral topics pending related to 17 grantees. Please review the accompanying A-50 referral chart for full details on the status of each referral topic.

Overall Summary of Referrals – Open versus Pending

	Referral Topics Pending at Outset	Number of Grantees with Referrals Pending at Outset	New Referral Topics since last Board Meeting Materials	Closed since last Board Meeting Materials	Referral Topics Remaining Open	Number of Grantees with Referrals Pending
Q 1	63	33	0	8	55	29
Q 2	55	29	5	31	29	17
Q 3	29	17	10	6	33	19
Q 4						

Overall Summary of Referrals – Designation Status

	Referral Topics Pending at Outset and Designation	New Referral Topics since last Board Meeting and Designation	Closed since last Board Meeting Materials and Designation	Referral Topics Remaining Open and Designation
Q 1	63	0	8	55
	23 high risk		0 high risk	23 high risk

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	14 medium risk 24 low risk 2 no designation		1 medium risk 7 low risk 0 no designation	13 medium risk 17 low risk 2 no designation
Q 2	55 23 high risk 13 medium risk 17 low risk 2 no designation	5 1 high risk 2 medium risk 1 low risk 0 designation	31 12 high risk 6 medium risk 12 low risk 1 no designation	29 12 high risk 9 medium risk 7 low risk 1 no designation
Q 3	29 23 high risk 13 medium risk 17 low risk 2 no designation	8 2 high risk 0 medium risk 6 low risk 0 designation	6 0 high risk 4 medium risk 2 low risk 0 no designation	33 15 high risk 6 medium risk 11 low risk 1 no designation
Q 4				

Summary of Activity Since the July 2024 Board Meeting

OIG Audit Referral Topics Closed Since the July Board Meeting: 6

LSC Management determined grantees had taken sufficient action to resolve 6 A-50 referral topics (Four (4) designated medium risk from three (3) grantees and two (2) designated low risk from one (1) grantee).

OCE will provide memos explaining LSC Management's determination for each of the following referral topics to the Office of Inspector General on or before December 31, 2024:

- 1. Nevada Legal Services** (Two moderate risk referral topics closed): Two A-50 referral topics related to inadequate controls over financial transactions and reporting were resolved.

A review of the grantee's FY 2023 audited financial statements indicated these issues were not an ongoing concern. OCE finds the actions taken by the grantee to be responsive and considers these referrals to be closed.

- 2. Essex-Newark Legal Services** (One moderate risk referral topic closed): One A-50 referral topic related to the failure to conduct a physical inventory in a timely manner.

A review of the grantee's FY 2023 audited financial statements indicated this issue was not an ongoing concern. OCE finds the actions taken by the grantee to be responsive and considers these referrals to be closed.

- 3. 603 Legal Aid (NH)** (Two low risk referral topics closed): Two A-50 referral topics related to

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RE: Status of A-50 Referrals from the OIG Audit Division to LSC Management

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possibly accepting cases without proper over income/over asset waiver forms and the Executive Director failing to review payroll registers and reports. The grantee's Corrective Action Plan set out the actions it planned to take to address these concerns (e.g., providing training, developing a plan for eligibility guidelines approval, requiring its protocol to be updated to add managerial reconciliations of payroll).

A review of the grantee's FY 2023 audited financial statements indicated these issues were not an ongoing concern. OCE finds the actions taken by the grantee to be responsive and considers these referrals to be closed.

4. **Legal Aid Society of Mid-New York** (One moderate risk referral topic closed): One A-50 referral topic related to the grantee allowing a third-party benefits broker administrator access to the organization's payroll system. The grantee confirmed to the Office of Compliance and Enforcement that the third party's access had been removed on March 31, 2024.

OCE finds the actions taken by the grantee to be responsive and considers this referral to be closed.

OIG Audit Referral Topics Pending Resolution: 33

There are currently 33 referral topics pending resolution (15 designated high risk from 11 grantees, six (6) designated medium risk from four (4) grantees, 11 designated low risk from eight (8) grantees and one (1) with no designation). LSC Management and the Office of Inspector General selected a risk designation (high, moderate, or low) for each referral topic. The topics below are organized by LSC Management's designation, and the OIG's disagreement with any designation is noted in the footnotes.

LSC Management designated an A-50 referral topic as a high/risk concern if the auditor noted the finding to be a material weakness in audited financial statements and/or LSC Management believes the noted deficiency could result in the grantee misspending or misallocating LSC funds or could result in a risk to LSC's funding levels. A referral topic was designated as a moderate risk where LSC Management believes, if allowed to persist, the noted condition could result in the grantee misspending or misallocating LSC funds; however, an effective corrective action plan was submitted. The low risk designation was utilized when the noted deficiency does not pose a risk that the grantee will misspend or misallocate LSC funds, has already been addressed by the grantee, or is minor in number or significance.

If a grantee had referral topics in multiple designation categories, the second, and where applicable third, reference did not receive a new number, instead, the grantee's original number is repeated to not inflate the number of grantees with pending referral topics.

Referral Topics designated by LSC Management as High Risk: 15

1. **Southern Minnesota Regional Legal Services.** (One high risk referral topic pending): Southern Minnesota Regional Legal Services (SMRLS) has one high risk A-50 referral topic pending

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related to a material adjusting journal entry to properly recognize receipt of LSC funds and additional audit adjustments to properly record grants receivable and deferred revenue. SMRLS reported that the finding was due to the timing of the former Controller's departure, which occurred during the year-end closing process, and therefore the entry was not recorded. SMRLS further indicated that the failure to record the LSC grant allocation for 2020, received in December 2019, was an oversight and not indicative of underlying accounting issues. The grantee hired a full-time Controller and expressed confidence that this issue will not occur in the future. Although hiring a full-time accountant appeared sufficient to address these concerns, this issue was noted to be a concern again in the FY 2023 audited financial statements.

In its 2023 Corrective Action Plan, SMRLS reported it would list a consultant to help ensure it has the needed tools to ensure year-end transactions are recorded correctly.

This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not of ongoing concern.

2. **Indiana Legal Services, Inc.** (One high risk referral topic pending): Indiana Legal Services, Inc. (ILS) has one high risk A-50 referral topics pending related to ILS not having adequate controls in place over financial reporting to allow for timely, accurate financial reporting resulting in multiple audit adjustments being proposed. Despite ILS implementing the practice having a second person review journal entries at least quarterly, the deficiency was again noted in the FY 2023 audited financial statements. ILS' FY 2023 Corrective Action Plan noted that it would be reexamining its procedures to determine why the second person reviewing the entries did not detect the errors.

This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not of ongoing concern.

3. **Legal Action of Wisconsin, Inc.** (One high risk referral topic pending): Legal Action of Wisconsin, Inc. has one A-50 referral topic pending related to the failure to reconcile accounts in a timely manner. The grantee's Corrective Action Plan (CAP) acknowledged a delay in providing year-end journal entries. The delay was caused by pandemic-related staffing shortages and turn-over in the accounting department; this contributed to the late reconciliations and year-end closing entries. For the FY 2021 audit process, the grantee reported it would move the timing of the audit to early March to provide additional time for close-out documents. In addition, the grantee implemented a new month-end close checklist that will enable the CFO to view the reconciliation status of all accounts. Unfortunately, the need for significant adjustments remained a concern in the FY 2021 audited financial statements. In the CAP associated with the FY 2021 audited financial statements, the grantee stated that the CFO would adjust staffing needs and direct the accounting staff to complete monthly account reconciliations and closing adjustments to ensure timely completion.

Despite those efforts, this issue was noted to be an ongoing concern in the FY 2022 audited financial statements. The grantee advised that it would continue to improve its reconciliation process by, among other actions, engaging a consultant, providing additional training, and exploring accounting modules to improve accuracy and efficiency. OCE conducted a remote

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Technical Assistance Review during the period January 22-26, 2024. This referral topic and possible action steps were a focus of that review.

This referral will remain open pending receipt of audited financial statements demonstrating that the noted deficiencies are not ongoing concern.

4. **Neighborhood Legal Services Association (PA)** (One high risk referral topic pending): Neighborhood Legal Services Association (NLSA) has one high risk A-50 referral topic pending related to material adjustments being needed during the audit process. The referral noted that controls and procedures were not sufficient to ensure the accurate recording of transactions and accurate accounting records. NLSA reported that it was following the auditor's recommendation to implement additional financial controls. Although the NLSA's FY 2022 Corrective Action Plan appeared to adequately address the noted concerns, the grantee's FY 2023 audited financial statements contained a similar finding.

NLSA reported that it agreed with the auditor's recommendations. In accordance with those recommendations, NLSA has hired a finance new Director of Finance and is in the process of reorganizing its finance department. OCE will continue to work with the grantee to address this matter.

This referral will remain open pending receipt of audited financial statements demonstrating that the noted deficiencies are not ongoing concern.

5. **East River Legal Services** (One high risk A-50 referral topic pending): East River Legal Services has one high risk A-50 referral topic pending related to recommended changes contained in the Management Letter. The FY 2023 audited financial statements noted that the Independent Public Accountant again proposed audit adjustments. The grantee's FY 2023 Corrective Action Plan set out the further actions the grantee planned to take to address this finding (e.g., update its credit card authorization policies, hire an accounting manager). OCE conducted a hybrid Compliance Review during the week of October 7, 2024. Technical assistance and guidance were provided on this topic.

This referral will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

6. **Florida Rural Legal Services** (Three high risk A-50 referral topics pending): Florida Rural Legal Services has three high risk A-50 referral topics pending related to missing documentation related to disbursements, material weaknesses related to credit card disbursements and payments, concerns regarding lack of segregation of duties and the finance team have unlimited access in general ledger software.

In conjunction with the Office of Program Performance, OCE conducted a Joint Review of the grantee in November 2023. Credit card purchases/payments and Board involvement in financial activities were areas of focus and testing and revealed the same issues as noted in the A-50 referrals.

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The grantee's FY 2022 Corrective Action Plan set out the actions it would take during 2023; however, the same concerns were noted in the FY 2023 audited financial statements. The grantee's FY 2023 Corrective Action Plan set out the further actions the grantee planned to take to address this finding (e.g., update its credit card authorization policies, hire an accounting manager). OCE will continue to work with this grantee to ensure these concerns are addressed.

This referral will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

7. **Legal Aid of Wyoming, Inc.** (One high risk referral topic pending): Legal Aid of Wyoming has one high risk A-50 referral topic pending related to cost allocations not being made equitably. OCE conducted a Targeted Fiscal Training on September 18, 2023, during which cost allocation was discussed.

In addition to the Corrective Action Plan submitted with its FY 2022 audited financial statements, the grantee developed a separate comprehensive Corrective Action Plan dated July 18, 2023. To resolve the cost allocation issues, the grantee proposed meeting with its IPA to determine an appropriate cost allocation methodology, project allocations for the remainder of 2023 and 2024, and meet quarterly with its Finance Committee to review actual allocations.

The corrective actions proposed by the grantee seems reasonable to address the IPAs findings. However, this referral will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

8. **Neighborhood Legal Services Program of D.C.** (One high risk referral topic pending): Neighborhood Legal Services Program of D.C. (NLSP) has one high risk A-50 referral topic pending related to NLSP not being able to provide supporting documentation related to its LSC carryover funds.

Prior to receiving this referral OCE had several questions/concerns surrounding the carryover fund balance of \$238,345. OCE conducted several follow-up meetings with the grantee on this issue. The grantee agreed to research and provide support for the fund balance; and, if necessary, restate the audited financial statements to resolve the issue. The grantee hired consultants to assist in this process and has been in frequent communication with OCE.

This referral will remain open pending receipt of audited financial statements that confirm the noted deficiency is not of ongoing concern.

9. **Legal Aid Society of Northeastern New York** (Two high risk A-50 referral topics pending): Legal Aid Society of Northeastern New York has two high risk A-50 topics pending related to its practice of reallocating its LSC excess fund balance to other funding lines rather than requesting fund balance waivers. Actions related to these concerns are further described in documents provided for the closed session.

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- 10. Summit Legal Aid** (One high risk referral topic pending): Summit Legal Aid has one high risk A-50 referral topic pending related to inadequate controls over financial reporting, as material adjustments were proposed during the audit process.

The grantee reported that the Finance Director would review the general ledger to ensure that contract and grants revenue equals incurred expenses.

This referral will remain open pending receipt of audited financial statements that confirm the noted deficiency is not of ongoing concern.

- 11. Dakota Plains Legal Services** (Two high risk referral topics pending): Dakota Plains Legal Services (DPLS) has two high risk referral topics pending related to failing to conduct an annual IT audit in a timely manner and using an incorrect basis for allocating indirect costs.

Full details regarding each referral and actions taken by OCE and DPLS can be found [here](#). These referrals will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

Referral Topics designated by LSC Management as Moderate Risk: 6

- (6) Florida Rural Legal Services** (One moderate risk A-50 referral topic pending): Florida Rural Legal Services (FRLS) has one moderate risk A-50 referral topic pending related to improper Private Attorney Involvement calculations.

The grantee's Corrective Action Plan set out the actions it would take during 2023 to address the concerns noted in the FY 2022 audit. This referral will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

- 11. Dakota Plains Legal Services** (Three moderate risk referral topics pending): Dakota Plains Legal Services (DPLS) has three moderate risk referral topics pending related to among other things, financial reporting, procurement, and fiscal internal controls.¹

Full details regarding each referral and actions taken by OCE and DPLS can be found [here](#). These referrals will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

- 12. Micronesian Legal Services Corporation** (One moderate risk A-50 referral topic pending): Micronesian Legal Services Corporation (MLSC) has one moderate risk A-50 referral topic pending related to failure to, among other concerns, comply with LSC Program Letter 23-2, which requires recipients to disclosure the balance of refundable advances, even if the balance is zero.

¹ The OIG disagrees with LSC Management's designations. Further information can be found in the linked document above.

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OCE reviewed the grantee's FY 2022 audited financial statements and provided guidance on correct reporting. An onsite Compliance Review took place in July 2024, during which time technical assistance guidance was provided. This referral will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

- 13. Essex-Newark Legal Services** (One moderate risk referral topic pending): Essex-Newark Legal Services (ENLS) has one moderate risk A-50 referral topic pending related to a non-compliant cost allocation methodology. ENLS submitted an updated cost allocation methodology in May 2024. This same issue was noted in the FY 2023 audited financial statements because ENLS had not updated its allocation policy until 2024.

These referrals will remain open pending receipt of audited financial statements that confirm the noted deficiencies are not of ongoing concern.

Referral Topics designated by LSC Management as Low Risk: 11

- (5) East River Legal Services (SD)** (One low risk referral topic pending): East River Legal Services has one low risk A-50 referral topic pending related to a concern noted in the Management Letter regarding misstatements that were corrected by management, which resulted in a change in net assets. In the FY 2021 and 2022 audited financial statements and the related Management Letters, the Independent Auditors once again identified several misstatements that required corrections. In its 2021 Corrective Action Plan, the grantee stated that the CFO will review accounting guidance relating to revenue recognition and follow available guidance.

In its 2022 Corrective Action Plan, the grantee stated that there was turn-over in a key financial position and that the organization has contracted with a 3rd party accountant to complete many of the tasks previously completed by the CFO. OCE conducted a hybrid Compliance Review during the week of October 7, 2024. Technical assistance and guidance were provided on this topic. OCE will continue to work with the grantee on this matter until it is resolved.

This referral will remain open pending receipt of audited financial statements/Management Letter that demonstrate the noted deficiency is not an ongoing concern.

- (6) Florida Rural Legal Services** (One low risk A-50 referral topic pending): Florida Rural Legal Services (FRLS) has one low risk A-50 referral topic pending related to failing to have evidence of signed priority statements for all employees.²

The grantee's Corrective Action Plan set out the actions it would take during 2023 to address the concerns noted in the FY 2022 audit. The same concerns were noted in the grantee's FY 2023 audited financial statements. OCE will continue to work with the grantee on this matter until it is resolved. This referral will remain open pending receipt of audited financial statements that confirm the noted deficiency is not of ongoing concern.

² The OIG believes this referral should be designated as moderate risk/concern due to other referrals related to this grantee.

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- (11) Dakota Plains Legal Services** (One low risk A-50 referral topic pending): Dakota Plains Legal Services (DPLS) has one low risk A-50 referral topic pending related to cases missing required documentation. From November 2023 through January 2024, an OCE Program Counsel provided weekly feedback on DPLS' review of LSC-eligible closed cases to ensure accurate information in annual Grantee Activity Report data. OCE is also providing guidance on how to better utilize the grantee's automated case management system to address identified weaknesses.

The Corrective Action Plan included with the FY 2023 audited financial statements indicated, among other things that all case handlers would receive in-person compliance related training. This referral will remain open pending receipt of audited financial statements that confirm the noted deficiency is not of ongoing concern.

- 14. Philadelphia Legal Assistance Center** (Two low risk A-50 referral topics pending): Philadelphia Legal Assistance Center has two low risk A-50 topics pending related to some cases missing signed citizenship attestations and the Corrective Action Plan not containing dates as to when the actions (training) would be completed.

OCE conducted a Compliance Review of this grantee June 26-30, 2023. The review's Final Report was issued on October 27, 2023, and contained two Required Corrective Actions (RCA) regarding Part 1626 documentation. As such, resolution of the concerns related to Part 1626 documentation will be addressed through OCE's RCA follow-up process. In addition, the grantee's Corrective Action Plan set out the actions it planned to take to address this matter (e.g., training, procedural changes).

- 15. Legal Aid Chicago** (One low risk A-50 referral topic pending): Legal Aid Chicago has One low risk A-50 referral topic pending related to PAI time entries not being PAI eligible. In response to an OCE inquiry, the grantee reported that it had updated LegalServer to require an activity code be assigned to every time entry charged to PAI. The grantee believes this change will avoid future incorrect submission.

This referral will remain open pending receipt of audited financial statements that confirm the noted deficiency is not of ongoing concern.

- 16. Legal Services Alabama** (Two low risk A-50 referral topics pending): Legal Services Alabama has two low risk A-50 topics pending related to bank and investment reconciliations not being conducted timely and questions regarding accounting for deferred revenue. OCE conducted a Compliance Review in 2023. The final report contained a Required Corrective Action related to bank reconciliations. OCE is working with the grantee to ensure bank reconciliations are properly performed and to answer any questions about deferred revenue treatment and calculations.

These referrals will remain open pending receipt of evidence that bank reconciliations are being performed in a timely manner and/or audited financial statements that confirm the noted deficiencies are not of ongoing concern.

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- 17. Memphis Area Legal Services** (Two low risk A-50 referral topics pending): Memphis Area Legal Services (MALS) has two low risk A-50 topics pending related to misallocation of administrative staff salaries and failure to properly submit reports to LSC using GrantEase.

LSC is taking both concerns under advisement as it considers MALS' application to regain LSC funding for the TN-4 service area.

- 18. Legal Aid of NorthWest Texas** (One low risk A-50 referral topic pending): Legal Aid of NorthWest Texas has one low risk A-50 topic pending related to failure to request LSC's prior approval before spending more than \$25,000 in LSC funds for capital improvements. OCE has contacted the grantee for additional information and will likely undertake an investigation to determine the allowability of the expenditure.

Referral Topics with No LSC Management Designation: 1

- 19. Inland Counties Legal Services** (One A-50 referral topic pending without an LSC Management designation): Inland Counties Legal Services, Inc. (ICLS) has one A-50 referral topic pending, which the OIG has requested be held in abeyance.

As noted above, these referral topics will remain open pending receipt of documentation of sufficient corrective actions taken and/or submission of audited financial statements that no longer report the topics as ongoing concerns.

OIG A-50 Referrals Chart Thru September 30, 2024 – Recently Closed A-50 Referrals

1. Nevada Legal Services

A. Referral Number: 2024-829050-01 • Referred on 3/29/24

OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
The Organization's financial close and reporting process did not capture revenues received in advance whose conditions were not met and therefore, revenue related to those funds should have been recognized. Furthermore, some expenditures were incorrectly recorded as a credit to expenses and a debit to accruals and therefore, revenue and expenditures were not recorded correctly.	2022-001 - Inadequate Internal Controls Over Financial Transactions & Reporting	The OIG granted the grantee an extension until August 28, 2024 to submit its FY 2023 audited financial statements.	Closed: This referral remained open pending review of the grantee's FY 2023 audited financial statements, which OCE received. Review of that document indicated no ongoing concerns regarding revenue recognition.

B. Referral Number: 2024-829050-02 • Referred on 3/29/24

OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
The Organization's monthly close process for the last month of the year did not catch expenses recorded to indirect cost accounts that had not yet been allocated. The remaining expenses were allocated based on a percentage of existing expenses out of total expenses in allowable grants, which affected expenses recorded to reimbursable grants and grants received in advance.	2022-002 and 2022-102 - Inadequate Internal Controls Over Financial Transactions	See above	Closed: This referral remained open pending review of the grantee's FY 2023 audited financial statements, which OCE received. Review of that document indicated no ongoing concerns indirect cost allocations.

2. Essex-Newark Legal Services

A. Referral Number: 2024-331060-02 • Referred on 6/10/24

OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
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<p>a. The grantee last performed an inventory in 2019, and subsequent inventories have been delayed by the pandemic. b. The IPA recommends that the grantee perform a physical inventory in 2023 now that they have returned to the office.</p>	<p>Noncompliance with LSC criteria and to ensure inventory is performed. OCE should confirm if the grantee has performed a physical inventory (OIG does not have grantee's FY 2023 audited financial statements due to extension requests). If not performed, obtain date of when it will be completed. Inventories should be completed every two years per the Financial Guide.</p>	<p>The referral is based on the Management Letter and therefore there is no Corrective Action Plan proposed by the grantee. The Management Letter also states the communication is intended solely for the information and use of management, the Board of Trustees, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.</p>	<p>Closed: This referral will remain open pending receipt of audited financial statements and/or a Management Letter that confirm the physical inventory was completed. The grantee's FY 2023 audited financial statements and Management Letter indicate the inventory issue has been addressed.</p>
<p>3. 603 Legal Aid (NH) A. Referral Number: 2023-130010-02 • Referred on 9/27/23</p>			
OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
<p>Cases were accepted with over income and/or over assets with no waivers or offsetting expenses present; Client Agreement and Referral Form (CARF) was sent to client and never returned, yet case was placed with Pro Bono attorney; Client was over income but had unreimbursed medical expenses and due to the listed expenses not being captured in the adjustments, the case was considered not income eligible, but should have been eligible; Applicant withdrew from process before records were provided, leading to no services being provided regardless.</p>	<p>Income eligibility is a statutory requirement for LSC funded legal representation; OCE should follow-up to ensure management oversight and compliance with LSC regulations.</p>	<p>The grantee's Corrective Action Plan (CAP) set out the actions it planned to take to address this referral and the referral below (e.g., adding procedures to its Payroll Procedures Checklist, enacting additional compliance protocols). OCE informed the grantee of these referrals and asked it to confirm that the actions set out in the CAP have been completed by March 15, 2024. OCE received this confirmation on March 6. The grantee's FY 2023 audited financial statements indicate that it has satisfactorily addressed this and the matter that is the subject of the referral below.</p>	<p>Closed: This referral remained open pending receipt of audited financial statements that confirm this is not a repeated finding. The grantee's FY 2023 audited financial statements indicate it has been addressed.</p>

B. Referral Number: 2023-130010-03 • Referred on 9/27/23				
OLG's Finding Description	OLG's Finding Description	OLG's Finding Description	OLG's Finding Description	OLG's Finding Description
The Executive Director (ED) receives an email from Checkmate when the payroll is completed (or finalized) that includes a link to the final payroll register and other reports. It is at this point that the ED would log in to Checkmate and review the final report against what was approved. There was no indication that this was ever done. It was not part of the documented procedures that were communicated by Squaretail to in-house accounting during training, nor did the ED ever give any indication that they performed this step.	IPA characterized this as a significant deficiency, and it is a repeat finding. OCE should follow up to ensure CAP (protocol updated to add managerial reconciliation of final payroll approval to initial payroll process) has been implemented.	See above.		Closed: See above.
4. Legal Aid Society of Mid-New York, Inc. Referral Number: 2024-233150-01 • Referred on 8/12/2024				
OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral	
Legal Aid Society of Mid-New York, Inc. provided a third-party benefits broker, administrator access to the Organization's ADP payroll system.	The grantees CAP stated that access would be restricted by April 30th. OCE should follow up to ensure access is restricted.	OCE contacted the grantee to confirm that the third party's access has been removed from the payroll system.	Closed: The grantee confirmed that, on March 31, 2024, the third-party broker's access to the payroll system had been removed.	

OIG A-50 Open Referrals Which LSC Management Designates as High Risk/Concern

LSC Management designates an A-50 referral topic as a high/risk concern if the auditor noted the finding to be a material weakness in audited financial statements and/or LSC Management believes the noted deficiency could result in the grantee mispending or misallocating LSC funds or could result in a risk to LSC's funding levels.

1. Southern Minnesota Regional Legal Services, Inc. (MN)

Referral Number: 2020-524030-02 and 2023-524030-01 • Referred on 9/22/20 and 9/27/23

OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
The IPA had to post a material audit adjustment concerning the grantees receipt of 2020 LSC funds. The monies, when received were not appropriately accounted for in the books and records. For FY 2022, the IPA proposed, and the Organization recorded, audit adjustments to properly record grants receivable and deferred revenue, as well as to properly adjust beginning net assets to their previously audited amounts.	This resulted in an audit-related adjusting journal entry to properly recognize revenue and net assets. The adjustment was material.	On June 25, 2020, OCE held a videoconference with the grantee's Executive Director, Interim Controller, and IPA, during which the Executive Director stated that the finding was due to the timing of the former Controller's departure. Although the hiring of a full-time accountant appeared sufficient to address this referral, unfortunately, this finding was repeated in both the FY 2020 and 2021 audited financial statements. OCE conducted a remote Technical Assistance review of SMRLS in December 2021. Specific attention was paid to the concerns noted in the A-50 referrals.	Although hiring a full-time accountant appeared sufficient to address this referral, unfortunately, the finding was repeated in the audited financial statements for FY 2020, 2021, 2022, and 2023 so the referral remains open. In its 2023 corrective action plan, the grantee stated that they will use a consultant to receive the necessary guidance and tools to record year-end transactions properly.
		Unfortunately, this finding was repeated in the grantee's FY 2022 audited financial statements, which also referenced the related finding below. In response, the grantee noted that the Director of Finance will conduct additional training with accounting staff, and the grantee will develop additional procedures to address this matter. It will also work to leverage its new module in NetSuite to help with the review and reconciliation process. OCE will continue to work with the grantee to address this matter.	This referral will remain open pending receipt of audited financial statements that confirm the noted issue is not an ongoing concern.

2. Indiana Legal Services (IN)

Referral Number: 2022-515030-01 and 2023-515030-01 • Referred on 9/26/22 and 9/27/23

OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
<p>The OIG noted that management did not have adequate controls in place over financial reporting to allow for timely, accurate financial reporting resulting in multiple audit adjustments being proposed to and by management. For FY 2022, management did not have adequate controls in place for financial reporting, specifically the journal entry process, to allow for timely and accurate financial reporting, resulting in an audit adjustment being posted by management impacting accounts payable and accrued expenses.</p>	<p>The deficiencies could have a material effect on the financial statements. OCE should follow up to confirm whether the issue was addressed.</p>	<p>In response to a similar finding in its 2020 audit, the grantee implemented a formal process to reconcile all balance sheet items no less frequently than quarterly.</p> <p>The grantee's 2021 Corrective Action Plan states they have implemented the practice of promptly posting claims for grant funds in their financial software, which should decrease or eliminate errors going forward. Documentation of these processes is included in its accounting manual, which was updated in 2022.</p> <p>Despite these efforts, this concern was repeated in the grantee's FY 2022 and FY 2023 audited financial statements. In its response, the grantee indicated it would adopt a procedure whereby a second staff member would review journal entries at least quarterly. In its 2023 corrective action plan, the grantee stated that it would reexamine its procedures to determine why utilizing a second staff member did not detect the errors.</p>	<p>Although utilizing a second staff member to review journal entries appeared sufficient to address this referral, unfortunately, the finding was repeated in the 2023 audited financial statements.</p> <p>This referral will remain open pending receipt of audited financial statements showing the issue is no longer a concern.</p>
3. Legal Action of Wisconsin (WI)			
Referral Numbers: 2021-550010-01, 2022-550010-10, and 2023-550010-10 Referred on 9/22/21, 9/26/22, and 9/27/23			
OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral
<p>Subsequent to providing the initial trial balances to Legal Action of Wisconsin, Inc.'s auditors, numerous and significant adjustments were required to adjust the financial statement balances to complete the year-end closing and reconciliation processes in order to present</p>	<p>Certain accounts were not reconciled on a timely basis. As a result, adjustments were required to accurately report year-end balances.</p>	<p>The grantee's Corrective Action Plan acknowledged there was a delay in providing year-end journal entries. The delay was caused by pandemic-related staffing shortages and turnover in the accounting department; this contributed to the late reconciliations and year-end closing entries.</p>	<p>Unfortunately, this issue continued to be a concern in the FY 2021, 2022 and 2023 audited financial statements. This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.</p>

financial statements in accordance with GAAP.		<p>For the FY 2021 audit process, the grantee reported it would move the timing of the audit to early March to provide additional time for close-out documents. In addition, the grantee implemented a new month-end close checklist that will enable the CFO to view the reconciliation status of all accounts.</p> <p>The need for significant adjustments remained a concern in the FY 2021 audited financial statements. In the Corrective Action Plan associated with those audited financial statements, the grantee stated that the CFO would adjust staffing needs and direct the accounting staff to complete monthly account reconciliations and closing adjustments to ensure timely completion.</p> <p>The grantee's FY 2022 audited financial statements repeated these concerns. In the Corrective Action Plan submitted with its audit at the end of April, the grantee stated it will continue to improve its monthly reconciliations and month end processes by, among other things, engaging assistance from a consultant, implementing and improving its closing checklist, exploring accounting modules to improve accuracy and efficiency, and providing staff with additional training. OCE will work with the grantee until this matter has been addressed.</p> <p>OCE conducted a remote Technical Assistance Review of this grantee during the period January 22-26, 2024, that included sections on the LSC Financial Guide.</p>	
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4. Neighborhood Legal Services Association (PA)**Referral Number: 2023-339060-01 • Referred on 3/20/23**

ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
During the audit process, the initial information and draft reports provided did not reconcile to underlying accounting records. Material adjustments needed to be made to refundable advances, net assets, accounts receivable, and contracts and grants.	The grantee does not have adequate controls in place to ensure the accurate recording of transactions. Controls and procedures in place were not sufficient to ensure accurate completion of accounting records. OCE should follow-up to ensure it enacts adequate controls to ensure accurate recording of transactions and accurate accounting records.	In its response to this finding, the grantee stated that it has implemented financial controls and would take the auditor's recommendations on this matter (e.g., ensure any year-end adjustments are made for the auditors). The grantee's Corrective Action Plan (CAP) appears to address the referred findings; however, OCE will leave the referral open pending a review of audited financial statements to determine if the CAP is sufficient. OCE conducted a remote Technical Assistance Review of this grantee from May 22 to 26, 2023 and will continue to work with the grantee to address this matter.	Unfortunately, this finding was repeated in the grantee's FY 2023 audited financial statements. In response, the grantee agreed with the recommendations and noted that it would reorganize its finance department and hire a new Director of Finance. The grantee hired a new Director of Finance and continues to reorganize its finance department. This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not ongoing concerns.

5. East River Legal Services (SD)**A. Referral Number: 2023-542026-04 and 2024-542026-01 • Referred on 9/27/23 and 8/12/24**

ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
The Management Letter suggested multiple changes, including adjustments to non-LSC grants; decreases to the TIg revenue and receivable; properly report lease liability for implementation of accounting standards; reclassify grants and contracts receivable from accounts receivables for financial statement presentation purposes; and correct an understatement of fixed assets for the	While this issue was included in the management letter, there are several findings, and the amounts cited in this letter are material.	The Corrective Action Plan proposed by the grantee seems reasonable to address the IPA's findings.	This referral will remain open pending receipt of audited financial statements and/or a Management Letter that confirm the noted issues are not an ongoing concern. OCE conducted a hybrid Compliance Review during the week of October 7. These issues were discussed in detail.

<p>finance lease.</p> <p>The referral from FY 2023 stated that the IPA proposed audit adjustments in the aggregate that were material to the financial statements. This is a repeat finding from the prior year.</p>			
<p>6. Florida Rural Legal Services, Inc. (FL)</p> <p>A. Referral Number: 2023-610020-01, 2024-610020-01, 2024-610020-04, 2024-610020-07, and 2024-610020-08 • Referred on 9/27/23, 8/12/2024, and 8/19/2024</p>			
<p>OlG's Finding Description</p>	<p>OlG's Referral Justification</p>	<p>OCE's Determination</p>	<p>Status of Referral</p>
<p>The IPA selected 50 disbursements for testing. Two employees did not have an approved pay rate. One did not have proper supporting documentation such as an invoice, 13 were not properly approved for payment and 14 did not have adequate support to determine the amount allocated to the grant.</p>	<p>FRLS followed the Corrective Action Plan and hired a grants manager to review and repair grant allocations. OCE should follow-up to ensure that newly hired grants manager corrects the disbursement problems.</p>	<p>LSC Management has several fiscal and compliance concerns regarding this grantee. OCE and the Office of Program Performance conducted a Joint Review of the grantee on November 13-17, 2023, with fiscal testing continuing through early December. The draft report is in process.</p> <p>OCE informed the grantee of the OlG's referrals. The grantee's Corrective Action Plan (CAP) set out the actions it would take during 2023 to address the concerns noted in the FY 2022 audit.</p> <p>The grantee's FY 2023 audited financial statements repeated findings relating to payroll and non-payroll disbursements. On June 10, 2024, the grantee confirmed it completed the actions set out in its FY 2022 CAP by May 25, 2023. The grantee's FY 2023 CAP set out the actions the grantee planned to take to address these findings (e.g., update policies, update pay rates). It expected to take many of these actions through July 2024. On September 19, 2024, OCE informed the grantee of the new referrals and requested it confirm it has taken the actions set out in its FY</p>	<p>OCE conducted a joint review with OPP in November 2023. Many of the same findings reported by the IPA were found by the team and repeated in the FY 2023 audited financial statements. This referral remained open pending receipt of the audited financial statements that confirm the pay rates are properly approved.</p>

		2023 CAP.	
B. Referral Number: 2023-610020-05 and 2024-610020-05 • Referred on 9/27/23 and 8/19/2024			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
The IPA noted material weakness for credit cards and disbursements. The credit card transactions were missing approvals, did not have receipts or other supporting documentation. The tested disbursements lacked documentation of approval for payment, and one did not have supporting documentation.	IPA noted this as non-compliance with LSC accounting guidance regarding documentation of credit card purchase reviews and approvals. All 43 credit card purchases reviewed lacked documented Director of Finance review. The Grantee provided a very detailed CAP that OCE should follow-up to ensure it is enacted.	The grantee's Corrective Action Plan (CAP), implemented in May 2023, by the new CFO in May 2023 updated policies for travel, procurement, and credit card policies to address the previously identified findings. The grantee also added an electronic transaction approval process. The grantee's FY 2023 audited financial statements contained repeated findings relating to credit cards. On June 10, 2024, the grantee confirmed it completed the actions set out in its FY 2022 CAP by May 25, 2023. The grantee's FY 2023 CAP set out the further actions the grantee planned to take to address this finding (e.g., updated its credit card authorization policies). On September 19, 2024, OCE requested it provide additional information, if any, on these actions.	The IPA reported many of the same internal controls for the credit card and disbursements. This referral will remain open pending receipt of the 2024 audited financial statements that confirm the issues have been resolved.
C. Referral Number: 2024-610020-06 • Referred on 8/12/24			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
The finance team is not large enough to properly isolate conflicting duties and users have unlimited access in the general ledger software. In addition, Administrator access to the financial application is not appropriately restricted. Elevated rights have been granted to operations personnel.	This finding appears to overlap significantly with another that has been invoked. Given the significance of the apparent issues at this grantee overall (12 findings), the OIG decided it should refer each finding separately as IPA saw	The grantee's FY 2023 Corrective Action Plan (CAP) set out the actions the grantee planned to take to address these findings (e.g., hiring an accounting manager, implementing quarterly financial reviews). It expected to complete these actions by the end of July 2024. On September 19, 2024, OCE requested the grantee provide an update on the actions taken to address this matter.	This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.

		fit to note them separately (despite overlapping topic).		
7. Legal Aid of Wyoming, Inc. (WV)				
Referral Number: 2023-951050-01 and 2024-951050-01 • Referred on 9/27/23 and 8/12/24				
OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral	
Cost allocations were not updated. The IPA identified another cost allocation finding in the FY 2023 audited financial statements that stated cost allocations are not properly performed in Quarter one.	Cost allocations were not equitable. The grantee did not provide a detailed CAP but generally stated they would review the accounting manual, schedule quarterly reviews with finance committee, review and update day-to-day compliance oversight. OCE should follow up to ensure a detailed CAP is developed and enacted.	OCE conducted a Targeted Fiscal Training for this grantee on September 18, 2023. In addition to the Corrective Action Plan submitted with the FY 2022 audited financial statements, LAW developed a separate comprehensive Corrective Action Plan dated July 18, 2023. To resolve the cost allocation issues, LAW proposed meeting with its IPA to determine an appropriate cost allocation methodology, project allocations for the remainder of 2023 and 2024, and meet quarterly with its Finance Committee to review actual allocations. OCE will determine if these efforts have been successful after reviewing the FY 2023 audited financial statements.	This finding was repeated in the FY 2023 audited financial statements. The grantee implemented a corrective action plan; however, the plan was not in place for the full year and therefore the finding was once again reported. This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.	
8. Neighborhood Legal Services Program of D.C. (DC)				
Referral Number: 2023-309080-01 • Referred on 6/28/23				
OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral	
The IPA noted that NLSF recorded a total of \$238,345 of LSC carryover funds. However, the IPA was unable to obtain supporting documentation or calculate the total carryover amount.	Through the QCR process, the IPA performed additional test work on the fund balance carryover and found a large amount that was unsupported.	Prior to receiving this referral OCE had several questions/concerns surrounding the carryover fund balance of \$238,345. OCE conducted several follow-up meetings with the grantee on this issue. The grantee agreed to research and provide support for the fund balance; and, if necessary, restate the audited financial statements to resolve the issue. The grantee hired consultants to assist in this process and has been in frequent communication with OCE. Most recently, the grantee requested an extension to submit its FY	The referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.	

		2023 audited financial statements. The document was received on September 3, 2024 and is currently under review.	
9. Legal Aid Society of Northeastern New York (NY)			
A. Referral Number: 2023-233010-02 • Referred on 9/27/23			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
A waiver requesting to retain a fund balance over 10% of LSC support was not submitted.	Grantee had multiple years of unreported excess funds. Grantee CAP says they are working with LSC to remit excess funds from 2014-2020. OCE should provide proof that this was completed.	See the Status of Referral.	This referral represents an issue referred by LSC Management to the OIG, who conducted an investigation. LSC contracted with a forensic audit firm to determine if/how the fund balance occurred, if/where it was spent or misspent, and whether the grantee has the funds to allocate and/or assign to LSC, if necessary. Please see closed session documents for more information.
B. Referral Number: 2023-233010-03 • Referred on 9/26/23			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
From 2014 to 2020, the Organization utilized a cost-allocation methodology that led to non-compliant reallocations of restricted LSC funds to an unrestricted asset account the Organization called "Fundraising." On April 28, 2023, LSC's office of Compliance and Enforcement's, issued a report on the Organization's compliance with LSC regulations regarding the use of LSC funds.	Grantee's cost allocation system was noncompliant. Grantee improperly allocated LSC funds for 6 years and is working with LSC to remit 1,561,847 in funding improperly allocated to non-LSC activities. OCE should provide proof this was completed.	See the Status of Referral.	See above.
10. Summit Legal Aid (formerly Southwestern Pennsylvania Legal Aid)			
Referral Number: 2024-339080-01 • Referred on 3/29/24			

ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
2023-001 SPLA did not have sufficient controls in place to ensure that the information and draft reports provided reconciled to underlying accounting records. Material adjustments were proposed during the audit process.	Inadequate Controls over Financial Reporting	The grantees stated in its CAP that its Finance Director and/or her designee will review the general ledger for cash contributions to determine the appropriate year end refundable advance balance, and to ensure that contract and grants revenue equals incurred expenses.	This referral will remain open pending receipt of the FY 2024 audited financial statements that confirm the noted issues are not an ongoing concern.
11. Dakota Plains Legal Services, Inc. (SD)			
LSC Management has designated two of the six DPLS referrals as a high risk/concern.			
<p>Since 2018, DPLS' Audited Financial Statements have included several findings relating to, among other things, financial reporting, procurement, and fiscal internal controls. Over the past few years, OCE has had regular contact with DPLS to provide guidance and has also provided formal trainings to support the grantee's efforts to build its fiscal capacity.</p> <ul style="list-style-type: none"> On June 29, 2022, OCE provided remote training on LSC's fiscal requirements. On August 21-22, 2023, OCE's Deputy Director for Fiscal Compliance and an OCE Program Counsel provided in-person training on fiscal and compliance matters for DPLS' staff and Board of Directors. An OCE Fiscal Compliance Analyst also provided training remotely. On July 18, 2024, OCE provided DPLS with guidance by phone regarding Board governance and program policies. On August 13 and 16, 2024, OCE provide DPLS with written guidance on its Board conflicts policy, and Board member and case acceptance requirements. In September, OCE provided feedback on DPLS' revised draft Board's Audit/Finance committee charter which was provided to LSC on July 23, 2024. <p>DPLS has also taken steps to enhance its fiscal capacity, including, but not limited to, hiring a new Chief Financial Officer in 2021, engaging Your Part-Time Comptroller, LLC to provide accounting and financial support, hiring its first grants manager in October 2023, and is working to revise its Board's Audit/Finance committee charter. Further, OCE requests and receives regular reports on DPLS' progress. A detailed summary of those efforts can be found in <u>this document</u>.</p>			
<p>Open OIG A-50 Referrals Which LSC Management Designates as Moderate Risk/Concern</p> <p>LSC Management designates an A-50 referral topic as a moderate risk/concern if LSC Management believes, if allowed to persist, the noted condition could result in the grantee mispending or misallocating LSC funds; however, an effective Corrective Action Plan was submitted.</p>			
<p>(6). Florida Rural Legal Services, Inc. (FL)</p> <p>D. Referral Number: 2023-610020-03 and 2024-610020-02 • Referred on 9/27/23 and 8/12/2024</p>			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral

<p>During our testing, we selected 20 cases that were tracked for PAI compliance. Of the 20 cases, 2 were not LSC-eligible type cases. In addition, FRLS records the donated services based on hours and billable rate provided by the outside attorney. We noted that the value of these donated services was not properly calculated.</p>	<p>Improper PAI calculation. OCE should follow-up to ensure the grantee calculates PAI correctly (they were improperly valuing donated services and included 2 non-LSC eligible cases). Grantee's CAP (FRLS requested and received a waiver from LSC with respect to its 2022 spending on PAI) based on erroneous belief that obtaining a waiver is sufficient corrective action, but the issue seems to be improper calculation not failure to meet PAI requirement. IPA noted this as a significant deficiency.</p>	<p>OCE informed the grantee of the seven referrals the OIG made. The grantee's Corrective Action Plan (CAP) set out the actions it would take during 2023 to address the concerns noted in the FY 2022 audited financial statements. OCE requested the grantee confirm it had completed the actions set out in its CAP by March 15, 2024. In its response, the grantee confirmed it completed these actions. However, its FY 2023 audited financial statements contained a repeat finding, where three of the 25 PAI cases tested for compliance were not LSC-eligible. In its CAP, the grantee stated it would, among other things, evaluate its policies and procedures regarding PAI compliance to ensure that only allowable cases are accepted.</p> <p>On June 10, 2024, the grantee confirmed it completed the actions set out in its FY 2022 CAP by May 25, 2023. The grantee's FY 2023 CAP, set out the actions the grantee took or planned to take to address these findings (e.g., using attorneys as pro bono coordinators, evaluating compliance procedures). It expects to complete these actions by December 31, 2024. On September 19, 2024, OCE requested the grantee provide an update on the actions it has taken to address this matter.</p>	<p>This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.</p>
11. Dakota Plains Legal Services, Inc. (SD) LSC Management has designated three of the six DPLS referrals as a moderate risk/concern.			
<p>Since 2018, DPLS' Audited Financial Statements have included several findings relating to, among other things, financial reporting, procurement, and fiscal internal controls. Over the past few years, OCE has had regular contact with DPLS to provide guidance and has also provided formal trainings to support the grantee's efforts to build its fiscal capacity.</p> <ul style="list-style-type: none"> On June 29, 2022, OCE provided remote training on LSC's fiscal requirements. 			

<ul style="list-style-type: none"> On August 21-22, 2023, OCE's Deputy Director for Fiscal Compliance and an OCE Program Counsel provided in-person training on fiscal and compliance matters for DPLS' staff and Board of Directors. An OCE Fiscal Compliance Analyst also provided training remotely. On July 18, 2024, OCE provided DPLS with guidance by phone regarding Board governance and program policies. On August 13 and 16, 2024, OCE provide DPLS with written guidance on its Board conflicts policy, and Board member and case acceptance requirements. In September, OCE provided feedback on DPLS' revised draft Board's Audit/Finance committee charter which was provided to LSC on July 23, 2024. <p>DPLS has also taken steps to enhance its fiscal capacity, including, but not limited to, hiring a new Chief Financial Officer in 2021, engaging Your Part-Time Comptroller, LLC to provide accounting and financial support, hiring its first grants manager in October 2023, and is working to revise its Board's Audit/Finance committee charter. Further, OCE requests and receives regular reports on DPLS' progress. A detailed summary of those efforts can be found in this document.</p>			
12. Micronesian Legal Services Corporation (MLP) Referral Number: 2023-952000-01 • Referred on 9/27/23			
OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral
<p>1. The IPA stated that unspent LSC funds are included as a liability in the statement of financial position under line item "Other liabilities." However, Note 2, states that funds remaining unused at the end of the period are recorded as net assets with donor restrictions. The IPA stated that there were no unspent funds for the year ended December 31, 2022. 2. According to LSC Program Letter 23-2, recipients must disclose the balance of refundable advances, even if the balance is zero. Per the IPA, the balance at 12/31/2022 was zero; however, this was not reflected in the financial statements. 3. Note 4, reports the amount of LSC's annual grant; however, the amount reported includes a</p>	<p>Communication with the IPA revealed that unspent LSC funds are treated as a liability. However, this is not clear from the audit report, and unspent funds are not reported by grant type. This is non-compliant with LSC Program Letter. OCE should follow-up to ensure issue remedied.</p>	<p>OCE reviewed the FY 2022 audited financial statements and provided the grantee with additional guidance on correct reporting.</p>	<p>OCE conducted an onsite Compliance Review of this grantee in July 2024. Significant technical assistance was provided during this review. The draft report is being prepared.</p> <p>This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.</p>

disaster grant.			
13. Essex-Newark Legal Services			
Referral Number: 2024-331060-01 • Referred on 6/10/24			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
a. The IPA noted that the grantee currently allocates costs based on a percentage of revenues received which is not an acceptable allocation basis according to the LSC Financial Guide. b. The IPA recommends that the organization contact LSC to discuss an acceptable cost allocation methodology and timeline for implementation and modify policy in accordance with the agreed upon procedures.	The cost allocation process is not compliant with 45 CFR Part 1630 requirements as well as the Financial Guide. OCE should follow-up with grantee to obtain acceptable/updated cost allocation methodology and timeline for implementation. Please send updated policy and proof of implementation or timeline for implementation to OIG.	The grantee provided OCE with their cost allocation policy in May 2024. The grantee's FY 2023 audited financial statements repeated this finding because the current policy was not updated until 2024.	This referral will remain open pending receipt of the audited financial statements that confirm the noted issues are not an ongoing concern.
ORG A-50 Referrals Which LSC Designates As Low Risk/Concern			
LSC Management designates an A-50 referral topic as a high/risk concern if the noted deficiency does not pose a risk that the grantee will mispend or misallocate LSC funds, has already been addressed by the grantee, or is minor in number or significance.			
(5). East River Legal Services (SD)			
B. Referral Number: 2021-542026-01 • Referred on 9/22/21			
ORG's Finding Description	ORG's Finding Description	OCE's Determination	Status of Referral
The independent public auditor reported in its Management Letter that it had identified several misstatements that were corrected by management; and an immaterial uncorrected financial statement	The IPA identified misstatements of \$15K that resulted in a change in net assets and therefore follow-up is required.	On November 22, 2021, OCE emailed the grantee to request supporting documentation demonstrating that the corrective actions have been implemented. On December 6, 2021, the grantee provided correspondence with its IPA to address the misstatements.	This referral will remain open pending receipt of audited financial statements and a related Management Letter that demonstrate there is not a repeated recommendation. OCE conducted a hybrid Compliance Review during the week of October 7. These issues were discussed in

misstatement that was not corrected.		<p>OCE reviewed the FY 2021, 2022 and 2023 audited financial statements and the related Management Letters and determined that the Independent Auditors once again identified several misstatements that required corrections. In its 2021 Corrective Action Plan, the grantee stated that the CFO will review accounting guidance relating to revenue recognition and follow available guidance. On December 8, 2022, OCE requested the grantee provide documentation showing the actions it has taken to address this matter by January 31, 2023. The grantee responded that the previous Executive Director took action to address this concern.</p> <p>In its FY 2022 Corrective Action Plan, the grantee stated that there was turnover in a key financial position and that the organization has contracted with a 3rd party accountant to complete many of the tasks previously completed by the CFO. OCE will continue to work with the grantee on this matter until it is resolved.</p> <p>In its FY 2023 Corrective Action Plan, the grantee stated that its Executive Director and 3rd party accountant will review accounting guidance relating to revenue recognition and review all future grants to ensure compliance. At year-end, the 3rd party accountant will review the classifications of net assets.</p>	detail.
(6). Florida Rural Legal Services, Inc. (FL) D. Referral Number: 2023-610020-04 and 2024-610020-03 • Referred on 9/27/23 and 8/12/24 • OIG believes this referral should be designated as a moderate risk/ concern.			
OIG's Finding Description	OIG's Referral Justification	OCE's Determination	Status of Referral

<p>During our testing, we selected 25 payroll allocations charged to the LSC grant. Of those 25 employees tested, 4 did not have the required signed priority statement on file.</p>	<p>This is noncompliance with LSC regulation (4 of 25 tested); grantee had 8 findings this year. OCE should follow-up to ensure CAP enacted (CAP: As part of our transition to our Paylocity payroll/HR system, we have put in place an onboarding workflow that automatically has the employee sign a priority statement and retain that within the HR system).</p>	<p>OCE informed the grantee of the seven referrals the OIG made. The grantee's Corrective Action Plan (CAP) set out the actions it would take during 2023 to address the concerns noted in the FY 2022 audit. OCE requested the grantee confirm it had completed the actions set out in its CAP by March 15, 2024. In its response, the grantee confirmed it completed these actions. The grantee's FY 2023 audited financial statements contained a repeated finding regarding signed priority statements. In its FY 2023 Corrective Action Plan, the organization stated it would review its processes to ensure all employees handling cases and matters are in compliance with this requirement.</p> <p>The grantee's FY 2023 CAP stated it planned to take the additional actions described above by the end of July 2024. On September 19, 2024, OCE requested the grantee provide an update on the actions it has taken to address this matter.</p>	<p>This referral will remain open pending audited financial statements that confirm the noted issues are not an ongoing concern.</p>
<p>(11). Dakota Plains Legal Services, Inc. (SD)</p>			
<p>LSC Management has designated one of the six DPLS referrals as a low risk/concern.</p>			

Since 2018, DPLS' Audited Financial Statements have included several findings relating to, among other things, case file documentation. Over the past few years, OCE has had regular contact with DPLS to provide guidance on case compliance testing.

- On August 21-22, 2023, OCE's Deputy Director for Fiscal Compliance and an OCE Program Counsel provided in-person training on fiscal and compliance matters for DPLS' staff and Board of Directors. An OC Fiscal Compliance Analyst also provided training remotely.
- On October 31, 2023, an OCE Program Counsel conducted remote training for all DPLS staff on case compliance and proper case reporting under the LSC Case Service Reporting (CSR) Handbook guidelines.
- **From November 1, 2023, through January 2024**, an OCE Program Counsel provided weekly feedback regarding a program review of 100% of its 2023 closed LSC-eligible cases. The program conducted this review to identify case and CSR issues prior to its 2023 CSR data report to LSC. OCE provided DPLS with guidance on this process through its completion in January 2024.
- In January 2024, OCE provided guidance regarding setup and use of its automated case management system, LegalServer, and intake, to address identified weaknesses.
- LSC continues to monitor the grantee's compliance (e.g., conflicts, nepotism, and procurement policies) and performance, and is evaluating the grantee's capacity for improvement.

OCE continues to monitor DPLS' efforts to enhance its compliance capacity, including, but not limited to case-related compliance matters, and hiring its first grants manager in October 2023. Further, OCE requests and receives regular reports on DPLS' progress. A detailed summary of those efforts can be found in [this](#) document.

14. Philadelphia Legal Assistance Center (PA)

A. Referral Number: 2023-339000-01 • Referred on 9/27/23

OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral
Philadelphia Legal Assistance Center, Inc. has procedures in place to maintain citizen attestation statements to ensure compliance with 45 CFR Part 1626; however, some case files did not include this documentation due to an oversight in the case file review process.	This is noncompliance with LSC regulation (5% of tested population). OCE should follow-up to ensure CAP (developing enhanced training program for case handlers and an oversight system for those case handlers to avoid and detect missing documentation) is implemented timely, because no completion date was provided by grantee.	OCE conducted a Compliance Review of this grantee June 26-30, 2023. The review's Final Report was issued on October 27, 2023, and contained two Required Corrective Actions (RCA) regarding Part 1626 documentation. As such, resolution of this concern will be addressed through OCE's RCA follow-up process. On January 25, 2024, the grantee updated OCE on its progress with addressing these concerns (e.g., hiring a compliance specialist). OCE reviewed the information provided, requested additional updates, and will continue to monitor the grantee's progress until the concern is resolved. In	Resolution of this concern will be addressed through OCE's RCA and post-visit follow-up process. This concern will remain open pending receipt of audited financial statements that no longer list this issue as a concern.

		July 2024, the grantee provided an update on its progress with addressing the RCAs. LSC expects to receive the grantee's FY 2023 audited financial statements by early October.	
B. Referral Number: 2023-339000-02 • Referred on 9/27/23			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
The Corrective Action Plan did not include dates when the actions will be complete.	Per desk review guidance. This is noncompliance with LSC OIG Audit Guide, Section I-9D. OCE should follow-up to ensure grantee timely enacts CAP for Case Management finding (Finding ID 5421) which did not include completion date.	This referral relates to the CAP to address the same finding in the grantee's audit regarding compliance with 45 CFR Part 1626. Resolution of this concern will be addressed through OCE's RCA follow-up process. See above.	See above.
15. Legal Aid Chicago			
Referral Number: 2024-514020-01 • Referred on 8/19/2024			
ORG's Finding Description	ORG's Finding Description	ORG's Finding Description	ORG's Finding Description
The IPA tested PAI time entries that demonstrated some were not PAI eligible.	7.5% of tested PAI tested entries were not PAI eligible. This may indicate that PAI was inaccurately recorded, and the grantee may not be compliant with PAI requirements.	OCE contacted the grantee on September 12, 2024, to obtain an update on the grantee's status of their CAP. The grantee responded on September 12, 2024, and stated that adjustments to LegalServer to require an Activity Code for every Time Code charged to PAI time. The grantee stated that this system change will avoid the previous PAI recording errors	This referral will remain open pending receipt of audited financial statements that confirm the noted issues are not an ongoing concern.
16. Legal Services Alabama			
A. Referral Number: 2024-601037-01 • Referred on 8/12/2024			
ORG's Finding Description	ORG's Referral Justification	OCE's Determination	Status of Referral
Bank reconciliations and investment	The IPA identified exceptions	OCE conducted a compliance review in 2023. The	This referral will remain open pending receipt of

reconciliations are not being performed timely.	with several reconciliations. There are also inconsistencies with the grantee's CAP.	final contained a Required Corrective Action related to bank reconciliations. We have requested evidence that bank reconciliations are properly performed and are working with the grantee to resolve the finding.	requested grantee information that confirms the noted issues is resolved.
B. Referral Number: 2024-601037-02 • Referred on 8/2012/2024			
OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral
The audit report disclosed excess fund balances. The IPA and Grantee had various issues with revenue recognition and deferred revenue and it is not clear that the grantee is properly accounting for deferred revenue.	The waiver is not mentioned and it is unclear if the grantee understands deferred revenue calculations and treatment.	OCE is working with the grantee to obtain additional information and resolve this issue.	Same as above
17. Memphis Legal Services, Inc.			
A. Referral Number: 2024-643030-01 • Referred on 8/19/24			
OLG's Finding Description	OLG's Finding Description	OLG's Finding Description	OLG's Finding Description
The IPA noted that the MALS' methodology for allocating administrative personnel salary expenses to the grant did not align with the requirements in the LSC Financial Guide.	OLG advised invoking this finding to document the MALS' closeout audit and MALS' intention to compete for the service area in 2025.	Memphis Area Legal Services (MALS) is not currently an LSC grantee. However, MALS and West Tennessee Legal Services (WTLs) are both in competition for the former MALS services area beginning in 2025. OCE and OPP recently conducted a Capability Assessment Visit (CAV) for MALS and WTLs. Additionally, Special Grant Conditions were attached to the MALS 2024 six month grant to require close-out audited financial statements be conducted through the end of the grant.	This referral will remain open pending completion of the CAV and receipt of the grantee's FY 2024 close-out audited financial statements, which OCE will review to determine final close-out costs.
B. Referral Number: 2024-643030-02 • Referred on 8/19/24			
OLG's Finding Description	OLG's Referral Justification	OCE's Determination	Status of Referral

The IPA noted instances where reports required to be submitted to LSC were either not properly submitted in the GrantEase system, submitted with incomplete information, or submitted untimely.	<p> See above </p>	<p> See above </p>
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18. Legal Aid of NorthWest Texas

Referral Number: 2024-744050-01 • Referred on 8/28/24

<p> OIG's Finding Description </p>	<p> OIG's Referral Justification </p>	<p> OCE's Determination </p>	<p> Status of Referral </p>
<p> The Compliance Supplement for Audits of LSC Recipients and LSC Regulations 45 CFR§ 1631.3 requires that any capital improvements using more than \$25,000 of LSC Funds have documented requests for LSC approval and that approval has been granted within 30 days. Audit procedures revealed that capital improvements of \$45,000 related to roof repairs were not approved by LSC. </p>	<p> The OIG invoked the referral because OCE confirmed that grantee did not request approval for the capital improvement of \$45,000. </p>	<p> LANWT's FY 2023 Corrective Action Plan (CAP) stated it planned to update its Accounting Manual to include a calendaring protocol for similar purchases (e.g., those made under exigent circumstances). On September 3, 2024, OCE informed the grantee of this referral and requested it provide documentation to show this was completed and requested the grantee confirm it followed its procurement policy when making this purchase. OCE expects to receive this information shortly. </p>	<p> This referral will remain open pending receipt of requested grantee information that confirms the noted issues is resolved. </p>

OIG A-50 Referrals Without LSC Management Risk Designations

19. Inland Counties Legal Services, Inc. (CA)

B. Referral Number: 2020-805230-02 • Referred on 9/22/20

<p> OIG's Finding Description </p>	<p> OIG's Referral Justification </p>	<p> OCE's Determination </p>	<p> Status of Referral </p>
<p> Management is holding this referral in abeyance per the OIG's direction. </p>	<p> Management is holding this referral in abeyance per the OIG's direction. </p>	<p> Management is holding this referral in abeyance per the OIG's direction. </p>	<p> Management is holding this referral in abeyance per the OIG's direction. </p>



3. Background Information on Georgia Legal Aid Programs

Georgia



Web version & more info

LSC ELIGIBLE



- 1 in 6** people
- 1 in 4** children
- 1 in 7** seniors
- 1 in 14** veterans
- 1 in 4** rural residents

JUSTICE GAP STUDY



Only 8%
of the civil legal problems facing
Georgia's low-income residents
receive any legal help.

Only 31%
of issues brought to LSC
grantees in southern states
receive help.

HOUSING ISSUES



The rate of eviction filings in
Georgia counties is as high as
1 in 3 renter households.

52% of renter households pay
more than 30% of income
on rent.



LSC GRANTEES

- Atlanta Legal Aid Society, Inc.
Main office: Atlanta
- Georgia Legal Services Program (A)
Main office: Atlanta

(A) Agricultural worker grant

SERVED IN 2022



- 46,509** people
- 1,251** veterans
- 4,820** seniors
- 4,125** domestic violence survivors

TOP CLOSED CASES



Housing	45%
Private Landlord/Tenant	32%
Family	25%
Income Maintenance	9%
Consumer/Finance	6%
Health	3%

FUNDING IN 2023



\$16,002,463
to serve the general population

\$732,369
to serve agricultural workers

\$1,034,726 since 2018
for pro bono innovation

\$1,242,018 since 2018
for technology innovation

Susan Coppedge

Executive Director, Georgia Legal Services Program



Susan Coppedge joined Georgia Legal Services Program (GLSP) as Executive Director in May 2022. Over the course of her nearly 30-year legal career, Coppedge has championed the rights of some of the most vulnerable members of the community, as well as the broader public interest. Coppedge joined GLSP from Krevolin & Horst, where she served as Of Counsel in the litigation practice. Before that, Coppedge ran the Atlanta office of Nardello & Co., a global investigations firm.

In 2015, Coppedge was nominated by President Obama and confirmed by the U.S. Senate to lead the Office to Monitor and Combat Trafficking in Persons at the U.S. Department of State. As the Ambassador-at-Large, her global portfolio included a focus on increasing services for human trafficking survivors and encouraging foreign governments to pursue prosecutions of human traffickers.

Coppedge served as Assistant U.S. Attorney in the Northern District of Georgia from 1995 – 2015, where she prosecuted a broad range of cases, from white collar crime and public corruption to government program fraud, identity theft and human trafficking. She was one of the first federal prosecutors to bring a sex trafficking case in Georgia and, over the course of her career, she secured indictments of 49 human traffickers in cases involving domestic and international sex trafficking and labor trafficking.

Coppedge's commitment to seeking justice for survivors continues today as GLSP represents thousands people — across 154 of Georgia's 159 counties — who thought the system would never stand up for them. She also continues to stay active in the anti-trafficking community by serving on the Boards of Polaris and Street Grace and on the Advisory Board of the Georgia Asylum and Immigration Network.

Coppedge, a native of Dalton, Georgia, is a graduate of Duke University and received her law degree from Stanford University. She is admitted to the State Bar of Georgia.



Rita Sheffey

Executive Director, Atlanta Legal Aid Society

Rita A. Sheffey joined the Atlanta Legal Aid Society ("Legal Aid") on August 1, 2023. Prior to joining Legal Aid, Rita served for eight years as Emory University School of Law's Assistant Dean for Public Service. In that role, she oversaw the law school's Pro Bono Program, advised students interested in post-graduate federal and state court judicial clerkships, and employment with government and public interest organizations, and managed the Volunteer Clinic for Veterans and Emory Immigrant Legal Assistance. Prior to joining Emory in January 2015, Rita was a partner with Hunton & Williams LLP, where she focused on complex litigation and served as Hunton & Williams' Southside Legal Center pro bono clinic director and Atlanta Pro Bono Committee Chair.

Rita has served in numerous leadership positions, including as President of the Atlanta Bar Association, the Atlanta Legal Aid Society, the Atlanta Volunteer Lawyers Foundation, and Emory's Lamar Inn of Court, among others. She was a member of the Leadership Atlanta Class of 2005 and has served on the Executive Council of the National Conference of Bar Presidents (NCBP), the Executive Committee of the Metropolitan Bar Caucus (affiliated with NCBP), and on the American Bar Association's Standing Committee on the American Judicial System. Rita was a self-described "quasi-insider" with Legal Aid. Not only did she serve as Board President, but she also co-chaired the 50th Anniversary Planning Committee, served on the Strategic Planning Committee, mentored a number of staff attorneys, and supported the work of Legal Aid through her service to the Atlanta Bar and the State Bar of Georgia.

Rita has received numerous awards for her leadership and pro bono efforts, including the Atlanta Legal Aid Society's Extraordinary Pro Bono Service Award in 2018, the Georgia State University College of Law's Ben F. Johnson, Jr. Public Service Award in 2015, and the inaugural Rita A. Sheffey Public Interest Award from the Atlanta Bar's Public Interest Law Section in 2012. Rita grew up in southwest Virginia and has degrees from the University of Virginia (B.A. in chemistry), Duke University (Ph.D. in chemistry), Boston College Law School (J.D.) and Emory's Candler School of Theology (Master's in Religion and Public Life). She also did a two-year postdoctoral fellowship in the Department of Biological Chemistry at Harvard Medical School.



Georgia Legal Services Program

Executive Director: Susan Coppedge

104 Marietta Street, N.W., Suite 250, Atlanta, GA 30303

(404) 563-7710 | <https://www.glsp.org>

LSC-Eligible Population

<i>Estimate of Eligible Population</i>		<i>Annual Income Level for Eligibility</i>	
Eligible Pop	Percent Eligible	Individual	Family of 4
1,146,885	16.8%	\$18,825	\$39,000
Population with household income below 125% Federal Poverty Guidelines, based on 2022 1-year American Community Survey estimates provided to LSC by the U.S. Census Bureau.		Income eligibility thresholds are 125% of the 2024 Federal Poverty Guidelines set by the U.S. Dept. of Health & Human Services.	

Funding

	2020	2021	2022	2023
Basic Field Grants	\$9,427,841	\$9,961,625	\$10,278,767	\$11,821,440
Loan Repayment Assistance Program	\$50,000		\$30,000	\$40,000
Pro Bono Innovation Fund	\$358,305		\$304,946	
Technology Initiative Grant			\$249,825	
Non-LSC Funding Sources	\$9,448,301	\$7,960,647	\$9,234,447	\$10,332,302

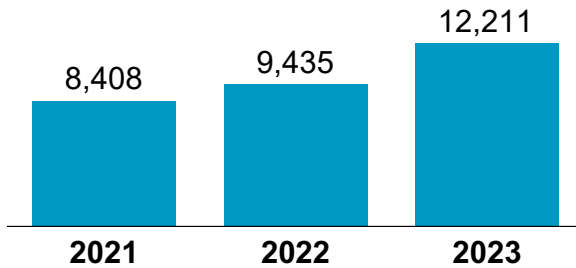
excludes carryover funds

Client Data, 2023

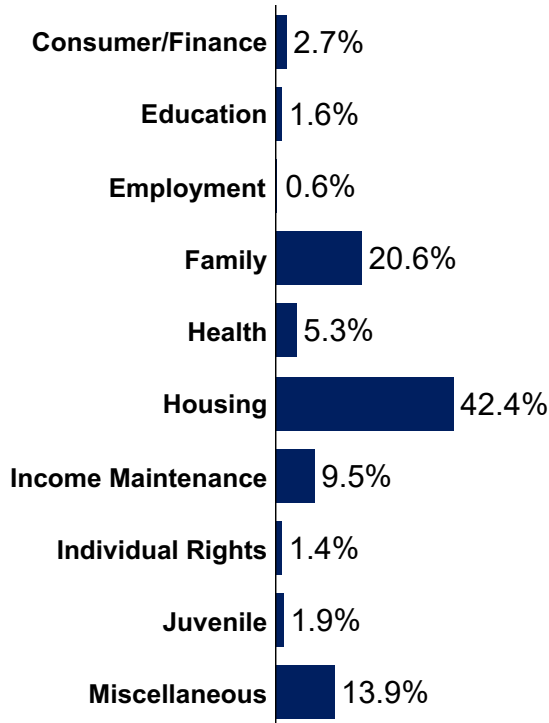
<i>People Served in Closed Cases</i>		<i>Client Gender</i>		<i>Special Populations Served</i>	
Adults Served	13,909	Women	82.4%	Cases involving seniors	3,318 named clients age 60+
Children Served	14,106	Men	17.5%	Veteran	738.0 households with veterans served
Persons Served	28,015	Unknown	0.0%	Cases involving Domestic Violence	1,998 cases closed in which domestic violence was a factor
		Another gender identity	0.1%		

Cases Closed

Total Cases Closed by Year



Total Cases Closed by Problem Category, 2023



Outreach Efforts, 2023

	In-Person	Virtual	Not Specified
Legal Education or Legal Information Provided to Clients	Number of group presentations or events focused on providing clients legal education or information	275	3
	Number of people served in the group presentations or events reported above	6,892	68
Outreach Events for Professionals	Number of persons provided legal information or legal education one-on-one at court help desks		0
	Number of persons provided legal information or legal education one-on-one at venues other than court help desks		943
	Number of outreach events focused primarily on professionals, partner organizations, social services agencies, bar groups, etc.	88	17

Staffing, 2023

Attorney FTEs

81.67

Total Staff FTEs

178.43

Counties Served

Appling, Atkinson, Bacon, Baker, Baldwin, Banks, Barrow, Bartow, Ben Hill, Berrien, Bibb, Bleckley, Brantley, Brooks, Bryan, Bulloch, Burke, Butts, Calhoun, Camden, Candler, Carroll, Catoosa, Charlton, Chatham, Chattahoochee, Chattooga, Cherokee, Clarke, Clay, Clinch, Coffee, Colquitt, Columbia, Cook, Coweta, Crawford, Crisp, Dade, Dawson, Decatur, Dodge, Dooly, Dougherty, Douglas, Early, Echols, Effingham, Elbert, Emanuel, Evans, Fannin, Fayette, Floyd, Forsyth, Franklin, Gilmer, Glascock, Glynn, Gordon, Grady, Greene, Habersham, Hall, Hancock, Haralson, Harris, Hart, Heard, Henry, Houston, Irwin, Jackson, Jasper, Jeff Davis, Jefferson, Jenkins, Johnson, Jones, Lamar, Lanier, Laurens, Lee, Liberty, Lincoln, Long, Lowndes, Lumpkin, McDuffie, McIntosh, Macon, Madison, Marion, Meriwether, Miller, Mitchell, Monroe, Montgomery, Morgan, Murray, Muscogee, Newton, Oconee, Oglethorpe, Paulding, Peach, Pickens, Pierce, Pike, Polk, Pulaski, Putnam, Quitman, Rabun, Randolph, Richmond, Rockdale, Schley, Screven, Seminole, Spalding, Stephens, Stewart, Sumter, Talbot, Taliaferro, Tattnall, Taylor, Telfair, Terrell, Thomas, Tift, Toombs, Towns, Treutlen, Troup, Turner, Twiggs, Union, Upson, Walker, Walton, Ware, Warren, Washington, Wayne, Webster, Wheeler, White, Whitfield, Wilcox, Wilkes, Wilkinson, Worth

Office Locations

Main	Georgia Legal Services Program	104 Marietta Street, NW, Suite 250, Atlanta, GA 30303
Branch	Albany	2533 Lafayette Plaza Drive, Albany, GA 31721
	Athens	1865 W. Broad Street, Suite B, Athens, GA 30606
	Augusta	1450 Greene St, Augusta, GA 30901
	Brunswick	1607 Union Street, Brunswick, GA 31520
	Columbus	233 12th Street, Suite 910 Corporate Center, P. O. Box 176, Columbus, GA 31902
	Dalton	219 W. Crawford Street, P.O. Box 2004 (30722-2004), Dalton, GA 30720
	Gainesville	705 Washington Street, Suite B-1, Gainesville, GA 30501
	Macon	241 Third Street, Macon, GA 31201
	Piedmont	104 Marietta Street, NW, Suite 240, Atlanta, GA 30303
	Savannah	6602 Abercorn Street, Suite 203, Savannah, GA 31405



Atlanta Legal Aid Society, Inc.

Executive Director: Rita Sheffey

54 Ellis Street NE, Atlanta, GA 30303

(404) 524-5811 | <https://atlantalegalaid.org>

LSC-Eligible Population

<i>Estimate of Eligible Population</i>		<i>Annual Income Level for Eligibility</i>	
Eligible Pop	Percent Eligible	Individual	Family of 4
513,360	13.4%	\$18,825	\$39,000
Population with household income below 125% Federal Poverty Guidelines, based on 2022 1-year American Community Survey estimates provided to LSC by the U.S. Census Bureau.		Income eligibility thresholds are 125% of the 2024 Federal Poverty Guidelines set by the U.S. Dept. of Health & Human Services.	

Funding

	2020	2021	2022	2023
Basic Field Grants	\$3,961,668	\$4,185,969	\$4,272,205	\$4,913,392
Loan Repayment Assistance Program	\$30,000		\$40,000	\$30,000
Technology Initiative Grant	\$104,072	\$267,375		\$281,148
Non-LSC Funding Sources	\$8,576,158	\$7,662,749	\$8,420,923	\$9,182,996

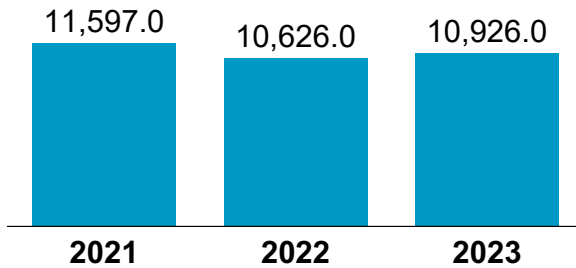
excludes carryover funds

Client Data, 2023

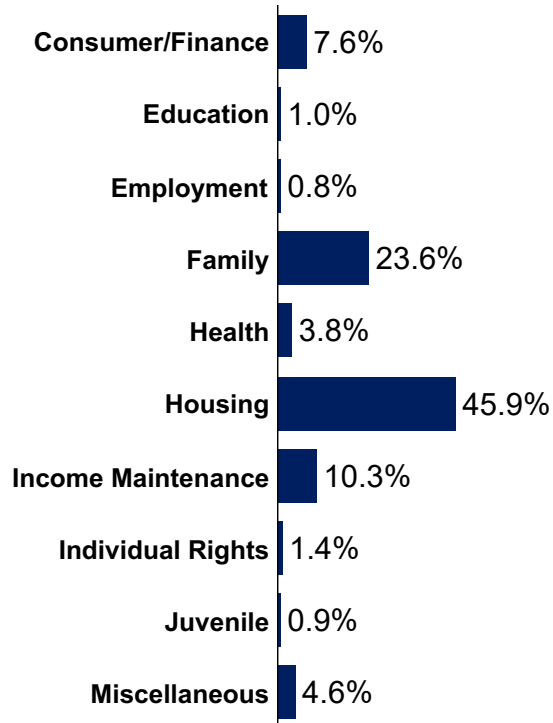
<i>People Served in Closed Cases</i>		<i>Client Gender</i>		<i>Special Populations Served</i>	
Adults Served	14,517	Women	75.8%	Cases involving seniors	2,775 named clients age 60+
Children Served	12,644	Men	23.4%	Veteran	816.0 households with veterans served
Persons Served	27,161	Unknown	0.1%	Cases involving Domestic Violence	2,589 cases closed in which domestic violence was a factor
		Another gender identity	0.6%		

Cases Closed

Total Cases Closed by Year



Total Cases Closed by Problem Category, 2023



Outreach Efforts, 2023

	In-Person	Virtual	Not Specified
Legal Education or Legal Information Provided to Clients	Number of group presentations or events focused on providing clients legal education or information	30	1
	Number of people served in the group presentations or events reported above	1,889	250
Outreach Events for Professionals	Number of persons provided legal information or legal education one-on-one at court help desks		0
	Number of persons provided legal information or legal education one-on-one at venues other than court help desks		1,604
Outreach Events for Professionals	Number of outreach events focused primarily on professionals, partner organizations, social services agencies, bar groups, etc.	33	1

Staffing, 2023

Attorney FTEs

80.21

Total Staff FTEs

136.57

Counties Served

Clayton, Cobb, DeKalb, Fulton, Gwinnett

Office Locations

Main	Atlanta Legal Aid Society Inc.	54 Ellis Street NE, Atlanta, GA 30303
Branch	Clayton	1590 Adamson Parkway, Morrow, GA 30260
	Cobb	30 South Park Square, Marietta, GA 30060
	Dekalb	246 Sycamore Street, Suite 120, Decatur, GA 30030
	Georgia Senior Legal Hotline	54 Ellis Street, NE, Atlanta, GA 30303
	Gwinnett	324 W. Pike Street, Suite 200, Lawrenceville, GA 30046
	Health Law Partnership	Children's Healthcare at Scottish Rite Hospital, 975 Johnson Ferry Road, Suite 360, Atlanta, GA 30342



4. Finance Committee



4.1. Finance Committee Meeting Agenda

FINANCE COMMITTEE

October 28, 2024

Agenda

OPEN SESSION

1. Approval of Meeting Agenda
2. Approval of Minutes of the Finance Committee's Open Session Meeting on July 11, 2024
3. Approval of Minutes of the Finance Committee's Open Session Meeting on July 22, 2023
4. Approval of Minutes of the Finance Committee's Closed Session Meeting on July 22, 2024
5. Presentation of LSC's Preliminary Financial Results for Fiscal Year 2024
 - *Debbie Moore, Chief Financial Officer and Treasurer*
6. Report on Status of Fiscal Year 2025 Appropriation and Disaster Supplemental Request
 - *Carol Bergman, Vice President for Government Relations and Public Affairs*
7. Presentation on Fiscal Year 2025 Management and Grants Oversight Budget
 - *Ron Flagg, President*
 - *Debbie Moore, Chief Financial Officer and Treasurer*
8. Consider and Act on *Resolution #2024-XXX: Temporary Operating Budget and Special Circumstance Operating Authority for Fiscal Year 2025*
9. Update on Fiscal Year 2026 Budget Request
 - *Carol Bergman, Vice President for Government Relations and Public Affairs*

10. Public Comment
11. Consider and Act on Other Business
12. Consider and Act on Motion to Adjourn the Meeting



4.2. Draft Minutes of the Finance Committee Meeting on July 11, 2024 (Open Session)

Legal Services Corporation
Board of Directors
Meeting of the Finance Committee

Open Session

Thursday, July 11, 2024

Chairman Robert J. Grey convened an open session meeting of the Legal Services Corporation's ("LSC") Finance Committee at 10:06 a.m. U.S. Eastern Time on July 11, 2024. The meeting took place remotely over Zoom videoconference. A transcript of the meeting is available on the LSC website here: [Finance Committee Meeting Transcript July 11, 2024](#).

The following committee members attended the meeting:

Robert J. Grey, Jr., Chair
John G. Levi
Father Pius Pietrzyk, O.P.
Rebecca Rapp (Non-Director Member)
Allan Tanenbaum (Non-Director Member)

Other Board members present:

Abigail Lawlis Kuzma
John G. Malcolm
Laurie Mikva
Frank X. Neuner, Jr.
Julie A. Reiskin
Gloria Valencia-Weber
Ronald S. Flagg, *ex officio*

Also in attendance:

Carol A. Bergman	Vice President for Government Relations and Public Affairs, Legal Services Corporation
Roxanne Caruso	Assistant Inspector General for Audit, LSC Office of Inspector General
Elena DiTraglia	Executive Coordinator, Legal Services Corporation
Will A. Gunn	General Counsel & Corporate Secretary, Legal Services Corporation
Lynn Jennings	Vice President for Grants Management, Legal Services Corporation
J. Craig Kemper	Government Relations Counsel, Legal Services Corporation

Patrick Maillet	Government Relations Counsel, Legal Services Corporation
Debbie Moore	Chief Financial Officer and Treasurer, Legal Services Corporation
Dan O'Rourke	Assistant Inspector General for Investigations, LSC Office of Inspector General
Alison Ottenbreit	Operations Specialist, LSC Office of Inspector General
Lora Rath	Director, Office of Compliance and Enforcement, Legal Services Corporation
Kate Reifenberg	Executive and Board Project Coordinator, Legal Services Corporation
Julie Reiskin	Member, LSC Board of Directors
Karly Satkowiak	Chief of Staff, Legal Services Corporation
Peter Shonerd	Production Manager, Diversified Reporting Services, Inc.
Holly Stevens	Chief Data Officer, Legal Services Corporation
Jessica Wechter	Special Assistant to the President, Legal Services Corporation
Tom Yatsco	Inspector General, LSC Office of Inspector General

The following summarizes actions taken by, and presentations made to, the Finance Committee:

Chairman Grey called the meeting to order at 10:06 a.m. U.S. Eastern Time.

Chairman Grey and Mr. Flagg led the discussion and public comment regarding LSC's Fiscal Year 2026 Budget Request and answered questions from the Committee.

Chairman Grey asked the Committee to consider and act on Resolution #2024-XXX: Adopting LSC's Budget Appropriation Request for Fiscal Year 2026.

MOTION

Father Pius Pietrzyk made a motion that the Committee recommend Resolution #2024-XXX Adopting LSC's Budget Appropriation Request for Fiscal Year 2026. Ms. Rapp seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Grey asked for public comment and received none. He asked the Committee to consider any other business.

With no further business to consider, Chairman Grey asked for a motion to adjourn the open session meeting.

MOTION

Father Pius Pietrzyk moved to adjourn the open session meeting. Mr. Malcolm seconded the motion.

VOTE

The motion passed by voice vote.

Whereupon, at 10:42 a.m. U.S. Eastern Time, the open session of the Finance Committee was adjourned



4.3. Draft Minutes of the Finance Committee Meeting on July 22, 2024 (Open Session)

Legal Services Corporation
Board of Directors
Meeting of the Finance Committee

Open Session

Monday, July 22, 2024

Chairman Robert J. Grey convened an open session meeting of the Legal Services Corporation's ("LSC") Finance Committee at 4:52 p.m. U.S. Central Time on July 22, 2024. The meeting took place remotely over Zoom videoconference and in-person in Minneapolis, MN. A transcript of the meeting is available on the LSC website here: [Finance Committee Meeting Transcript July 22, 2024](#).

The following committee members attended the meeting:

Robert J. Grey, Jr., Chair
John G. Levi
Father Pius Pietrzyk, O.P.
Robert E. Henley, Jr. (Non-Director Member)
Rebecca Rapp (Non-Director Member)
Allan Tanenbaum (Non-Director Member)

Other Board members present:

Abigail Lawlis Kuzma
Victor B. Maddox
Laurie Mikva
Frank X. Neuner, Jr.
Julie A. Reiskin
Ronald S. Flagg, *ex officio*

Also in attendance:

Jennifer Berger	Program Counsel, Legal Services Corporation
Carol A. Bergman	Vice President for Government Relations and Public Affairs, Legal Services Corporation
Jada Breegle	Chief Information Officer, Legal Services Corporation
Danielle Brooks	Chief Human Resources Officer, Legal Services Corporation
Porsha Brower	Director of Audit Operations, LSC Office of Inspector General

Chris Buerger	Chief Counsel, Civil Legal Services, National Legal Aid & Defender Association
Carolina Caicedo	Program Counsel, Legal Services Corporation
Roxanne Caruso	Assistant Inspector General for Audit, LSC Office of Inspector General
Beth Castillo	Senior Audit Program Analyst, LSC Office of the Inspector General
Stefanie Davis	Deputy General Counsel & Ethics Officer, Legal Services Corporation
Elena DiTraglia	Executive Coordinator, Legal Services Corporation
Will A. Gunn	General Counsel & Corporate Secretary, Legal Services Corporation
Helen Guyton	Deputy General Counsel, Legal Services Corporation
Ronké Hughes	Director, Office of Training and Technical Assistance, Legal Services Corporation
Selena Hunn	Deputy Director, Office of Program Performance, Legal Services Corporation
Lynn Jennings	Vice President for Grants Management, Legal Services Corporation
Eric Jones	Network Engineer, Legal Services Corporation
Megan Lacchini	Deputy Director, Office of Compliance and Enforcement, Legal Services Corporation
Janet Lim	Program Counsel, Legal Services Corporation
David Maddox	Assistant Inspector General for Management and Evaluation, LSC Office of Inspector General
Debbie Moore	Chief Financial Officer and Treasurer, Legal Services Corporation
Kevin Moran	Fiscal Compliance Analyst, Legal Services Corporation
Grace Nyakoe	Audit Director, LSC Office of Inspector General
Daniel O'Rourke	Assistant Inspector General for Investigations, LSC Office of Inspector General
Carolyn Perez	Program Counsel, Legal Services Corporation

Mayuris Pimentel	Program Counsel, Legal Services Corporation
Jessica Radbord	Program Counsel, Legal Services Corporation
Lora M. Rath	Director, Office of Compliance and Enforcement, Legal Services Corporation
Carl Rauscher	Director, Communications and Media Relations, Legal Services Corporation
Kate Reifenberg	Executive and Board Project Coordinator, Legal Services Corporation
Karly Satkowiak	Chief of Staff, Legal Services Corporation
Daniel Sheahan	Program Evaluation Analyst, LSC Office of Inspector General
Peter Shonerd	Production Manager, Diversified Reporting Services, Inc.
David Smalle	Multimedia Manager, Legal Services Corporation
Laurie Tarantowicz	Assistant Inspector General and Legal Counsel, LSC Office of Inspector General
Rose Taulton	Community Representative, Southern Arizona Legal Aid
Jessica Wechter	Special Assistant to the President, Legal Services Corporation
Tom Yatsco	Inspector General, LSC Office of Inspector General

The following summarizes actions taken by, and presentations made to, the Finance Committee:

Chairman Robert J. Grey called the meeting to order at 4:52 p.m. U.S. Central Time. Chairman Grey asked for the Committee to consider the agenda.

MOTION

Mr. Tanenbaum moved to approve the agenda. Ms. Rapp seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Grey then asked the Committee to approve the minutes from the Finance Committee's open session meetings on April 2, 2024, June 11, 2024, June 24, 2024 and the Combined Audit and Finance Committee's open session meeting on April 8, 2024.

MOTION

Mr. Levi moved to approve the minutes from the Finance Committee's open session meetings on April 2, 2024, June 11, 2024, June 24, 2024 and the Combined Audit and Finance Committee's open session meeting on April 8, 2024. Ms. Rapp seconded the motion.

VOTE

The motion passed by voice vote.

Ms. Moore gave a report on LSC's Financial Report for the first eight months of Fiscal Year 2024 (Period from October 1, 2023 to May 3, 2024).

Ms. Moore also gave a report on year-end projection for Fiscal Year 2024.

Ms. Bergman provided a report on the Fiscal Year 2025 appropriations process and supplemental appropriations.

Ms. Moore asked the Committee to consider and act on Resolution #2024-XXX Fiscal Year 2025 Temporary Operating Authority.

MOTION

Ms. Valencia-Weber moved to recommend approving Resolution #2024-XXX Fiscal Year 2025 Temporary Operating Authority. Mr. Levi seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Grey asked for public comment and received none. He asked the Committee to consider any other business.

With no further business to consider, Chairman Grey asked for a motion to adjourn the open session meeting and proceed to a closed session meeting.

MOTION

Mr. Levi moved to adjourn the open session meeting and proceed to a closed session meeting.

VOTE

The motion passed by voice vote.

Whereupon, at 5:22 p.m. U.S. Central Time, the open session of the Finance Committee was adjourned, to reconvene in closed session.



4.4. Draft Minutes of the Finance Committee Meeting on July 22, 2024 (Closed Session)

Legal Services Corporation
Board of Directors
Meeting of the Finance Committee

Closed Session

Monday, July 22, 2024

Chairman Robert J. Grey reconvened a closed session meeting of the Legal Services Corporation's ("LSC") Meeting of the Finance Committee at 5:23 p.m. U.S. Central Time on July 22, 2024. The meeting took place remotely over Zoom videoconference and in-person in Minneapolis, MN.

The following Committee members attended the meeting:

Robert J. Grey, Jr., Chair
Robert E. Henley, Jr. (Non-Director Member)
Rebecca Rapp (Non-Director Member)
Allan Tanenbaum (Non-Director Member)
John Levi, *ex officio*

Other Board members present:

Abigail Lawlis Kuzma
Victor B. Maddox
John G. Malcolm
Laurie Mikva
Frank X. Neuner, Jr.
Julie A. Reiskin
Ronald S. Flagg, *ex officio*

Also in attendance:

Carol A. Bergman	Vice President for Government Relations and Public Affairs, Legal Services Corporation
Roxanne Caruso	Assistant Inspector General for Audit, LSC Office of Inspector General
Stefanie Davis	Deputy General Counsel & Ethics Officer, Legal Services Corporation
Will A. Gunn	General Counsel & Corporate Secretary, Legal Services Corporation

Lynn Jennings	Vice President for Grants Management, Legal Services Corporation
David Maddox	Assistant Inspector General for Management and Evaluation, LSC Office of Inspector General
Debbie Moore	Chief Financial Officer and Treasurer, Legal Services Corporation
Daniel O'Rourke	Assistant Inspector General for Investigations, LSC Office of Inspector General
Karly Satkowiak	Chief of Staff, Legal Services Corporation
Peter Shoner	Production Manager, Diversified Reporting Services, Inc.
Laurie Tarantowicz	Assistant Inspector General and Legal Counsel, LSC Office of Inspector General
Jessica Wechter	Special Assistant to the President, Legal Services Corporation
Tom Yatsco	Inspector General, LSC Office of Inspector General

The following summarizes actions taken by, and presentations made to, the Finance Committee:

Chairman Grey called the meeting to order at 5:23 p.m. U.S. Central Time.

Chairman Grey asked the Committee to approve the minutes from the April 8, 2024 Combined Audit and Finance Committee's closed session meeting.

Ms. Rapp moved to approve the April 8, 2024 closed session minutes. Mr. Levi seconded the motion.

Ms. Moore provided a management briefing on status of audit management letter comments on HR procedures.

Chairman Grey then asked the Committee for a motion to adjourn the closed session meeting.

MOTION

Mr. Tanenbaum moved to adjourn the closed session of the meeting. Ms. Rapp seconded the motion.

VOTE

The motion passed by voice vote.

Whereupon, at 5:27 p.m. U.S. Central Time, the closed session of the Finance Committee was adjourned.



4.5. LSC Preliminary Financial Results for FY24 (Oct. 1, 2023 - Sept. 30, 2024)



TO: Robert J. Grey, Jr, Finance Committee Chairman
FROM: Deborah Moore, Chief Financial Officer & Treasurer
DATE: October 8, 2024
SUBJECT: Preliminary Fiscal Year 2024 Financial Reports

This memorandum summarizes LSC's preliminary financial results for the fiscal year ending September 30, 2024. The Office of Financial Services (OFAS) performed an abbreviated closing process to provide the most current financial reports for the October board meeting. As part of the year end closing procedures, accruals, allocations, and net asset adjustments are still pending. These entries, which are necessary to ensure compliance with Generally Accepted Accounting Principles (GAAP) are not reflected in the accompanying financial statements and will affect the financial statements.

Executive Summary

For the fiscal year ending September 30, 2024, the Legal Services Corporation (LSC) saw a modest increase in net assets, closing the year with a net change of \$843,000. The beginning balance as of October 1, 2023, was \$98.9 million, increasing to \$99.8 million by the fiscal year-end. Key highlights include:

- **MGO Revenue:** other sources included interest income of \$10 million and private contributions of \$3 million.
- **MGO Expenses:** increased by \$3.6 million or 14% in FY 2024.
- **MGO Carryforward:** decreased by \$1.8 million, from \$8.8 million to \$7 million.
- **OIG Carryforward:** reduced by \$378,000, with an ending balance of \$1.94 million.
- **Private Funds:** increased \$600,000, ending the year at \$5 million.

Statement of Financial Position

LSC saw a significant increase in total assets, which rose from \$148 million in FY 2023 to \$190.9 million in FY 2024. This increase was driven primarily by an increase in cash and cash equivalents, which included \$87 million for October and December grant payments resulting in a significant increase in grants payable. Net assets without donor restrictions decreased from \$15.5 million to \$14 million, net assets with donor restrictions grew from \$83.4 million to \$85.8 million.

October 8, 2024

Legal Services Corporation
Statement of Financial Position
As of September 30, 2024

Assets	2024	2023
Cash & Cash Equivalents	\$ 185,170,603	\$ 143,881,417
Accounts Receivable, Net	1,241,371	133,896
Grants Receivable, Net	1,344,156	1,021,689
Prepaid Expenses & Other Assets	3,074,654	897,695
Property & Equipment, Net	92,434	390,999
Right of Use Assets	-	1,670,246
Total Assets	\$ 190,923,217	\$ 147,995,942
Liabilities & Net Assets		
Liabilities		
Grants Payable	\$ 86,985,295	\$ 44,496,081
Accounts Payable & Accrued Expenses	634,751	431,041
Accrued Payroll Liabilities	3,369,457	2,337,211
Deferred Revenue	99,275	69,905
Lease Liability	-	1,670,246
Other Liabilities	58,204	58,218
Total Liabilities	91,146,981	49,062,703
Net Assets		
Without Donor Restrictions	14,020,387	\$ 15,495,689
With Donor Restrictions	85,755,849	83,437,551
Total Net Assets	99,776,236	98,933,239
Total Liabilities & Net Assets	\$ 190,923,217	\$ 147,995,942

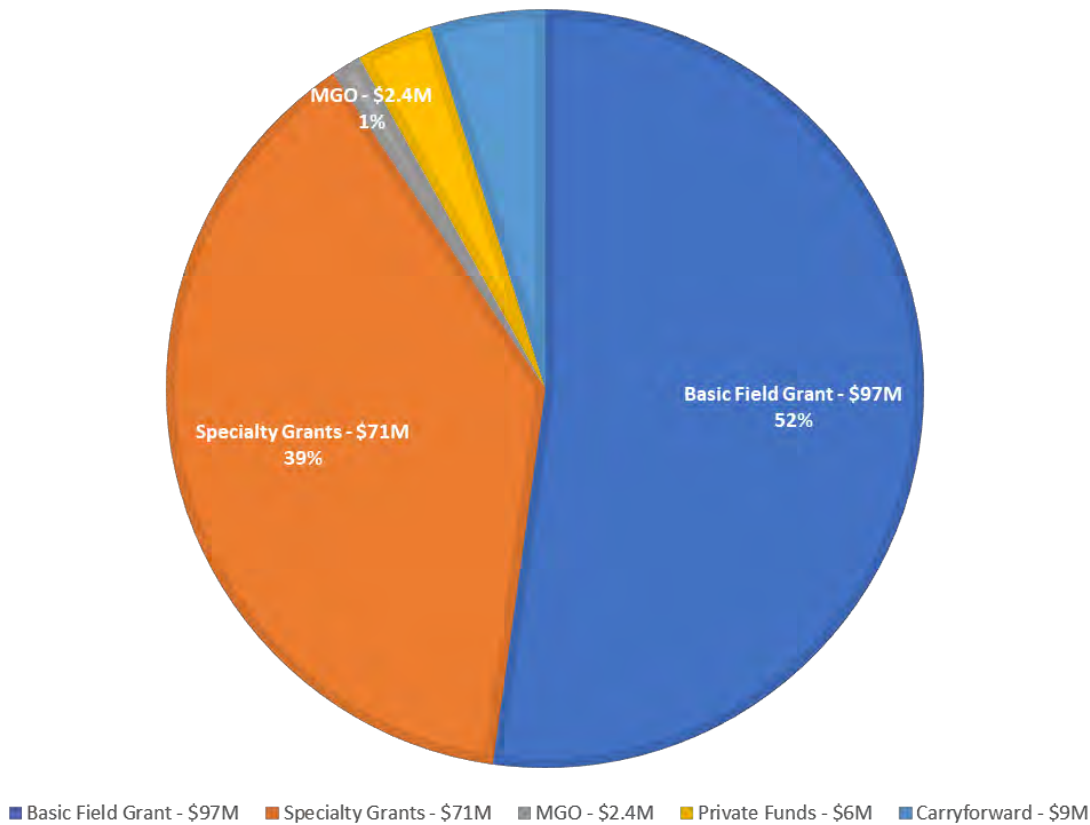
Cash Balances

As of September 30, 2024, total cash was \$185 million. Figure 1 shows that approximately 50% of the cash balance is designated for Basic Field Grants. The distribution of cash balances is as follows:

- \$97 million allocated to Basic Field Grants.
- \$71 million reserved for Specialty Grants.
- \$9 million for MGO and OIG carryforward funds.
- \$6 million in private funds.
- \$2.4 million for MGO operations.

October 8, 2024

Figure 1: Cash Balances



As shown in Figure 1, a significant portion of the cash balance is for Basic Field Grants, with the October grant payment accrued in FY 2024 and paid on October 1, 2024. Another substantial portion of the cash balance is designated for specialty grant programs and includes the following:

Supplemental Disaster Appropriations	\$ 39,153,000
Technology Initiative Grants	16,884,000
Pro Bono Innovation Fund	11,824,000
Loan Repayment Assistance Program	3,109,000
Total Cash for Specialty Grant Programs	\$ 70,970,000

October 8, 2024

Total Liabilities

As of September 30, 2024, total liabilities were \$91 million, a significant increase from \$49 million in FY 2023, primarily driven by:

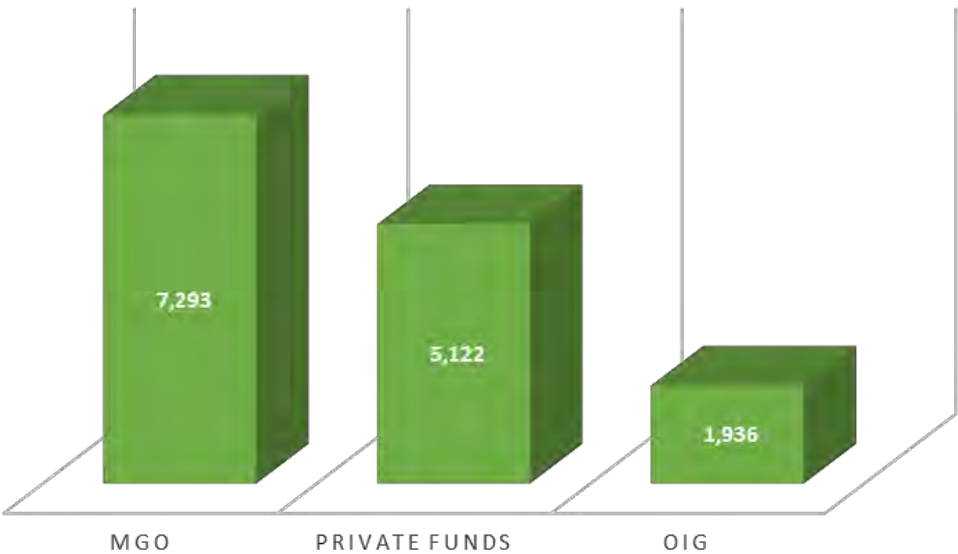
- **Grants Payable:** nearly doubling to \$87 million from \$44.5 million in FY 2023, due to two months of Basic Grant accrued, which will be paid in October and December 2024.
- **Payroll Liabilities:** increased by 44%, amounting to \$3.4 million. This includes approximately \$800,000 for the 4.5% one-time payment to LSC employees following the execution of the Collective Bargaining Agreement (CBA).

Net Assets

Total net assets were \$99 million, with \$85 million with donor restrictions and \$14 million without donor restrictions. Net assets are classified based on the existence or absence of donor restrictions. Figure 2 illustrates the composition of the \$14 million in net assets without donor restrictions, consisting of four funds:

1. MGO carryforward of approximately \$7 million.
2. Private funds of \$5 million, including \$4 million in unrestricted funds and \$1 million designated for Rural Summer Legal Corps.
3. OIG carryforward of \$1.94 million.

Figure 2: Net Assets without Donor Restrictions (\$ in thousands)

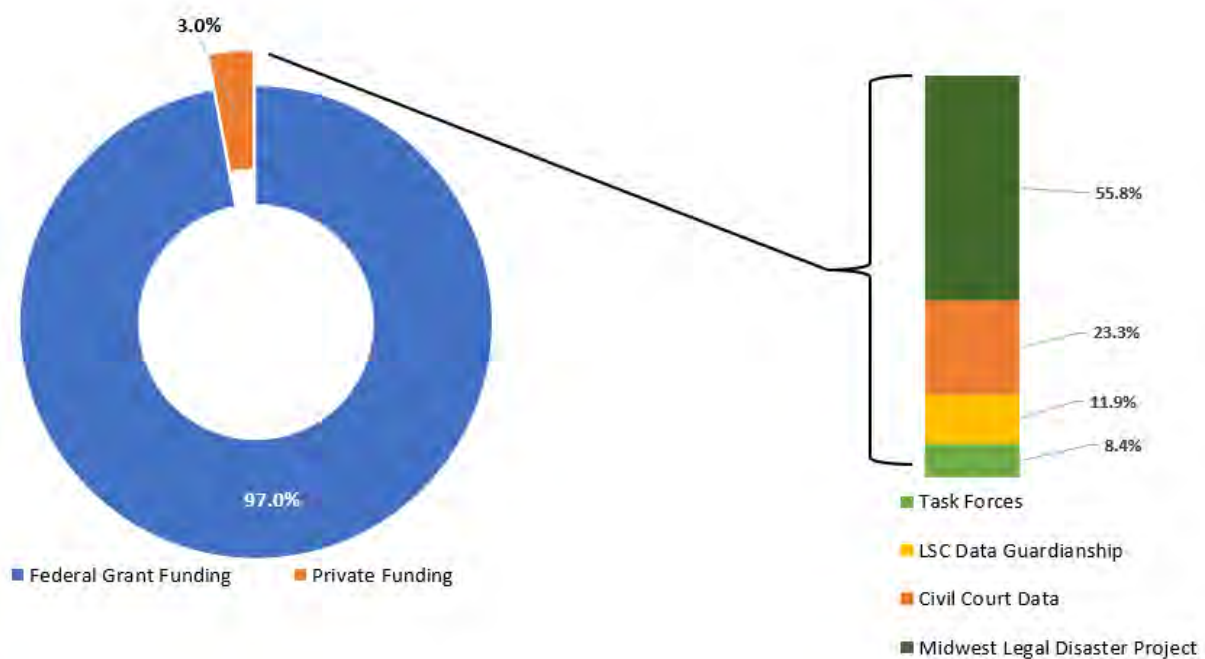


October 8, 2024

LSC aims to maintain a reserve in line with nonprofit best practices, targeting a minimum of three months' worth of operating expenses for MGO. With an FY 2024 MGO budget of approximately \$29 million, the reserve goal is \$7.2 million. The current MGO carryforward of \$7 million is close to this target, ensuring that LSC has adequate reserves to support ongoing operations.

At the end of FY 2024, net assets with donor restrictions total \$85 million. Of this, 97% is comprised of LSC's federal funding represented by the blue segment in Figure 3, and the remaining 3% is from private funding, depicted by the orange segment.

Figure 3: Net Assets with Donor Restrictions



LSC's Federal Funds of \$83 million include:

- \$14 million for Basic Field Grant.
- \$37.5 million for Disaster Grants
- \$17 million for Technology Initiative Grants
- \$11.5 million for Pro Bono Innovation Fund Grants
- \$3.1 million for The Herbert S. Garten Loan Repayment Assistance Program
- \$200,000 for Veterans Consortium Pro Bono Program

LSC's Private Funds of \$2.5 million includes:

- \$1.4 million for the Midwest Legal Disaster Project
- \$200,000 for LSC Task Forces (Disaster, Veterans, and Rural Justice Task Force)
- \$300,000 for the LSC Data Guardianship
- \$600,000 for the Civil Court Data Initiative

October 8, 2024

LSC Schedule of Activities

The Schedule of Activities below provides a comparison of LSC's revenue and expenses, including the OIG, and Private Funds between FY 2024 and FY 2025.

Legal Services Corporation
Schedule of Activities
For the Twelve Months Ended September 30, 2024

	<u>FY 2024</u>	<u>FY 2023</u>	<u>2024 vs 2023</u> <u>Increase/(Decrease)</u> <u>(\$)</u>	<u>2024 vs 2023</u> <u>Increase/(Decrease)</u> <u>(%)</u>
Revenue				
Total Federal Appropriation	563,000,000	583,385,000	(20,385,000)	-3%
Other Revenue				
Interest Income	10,281,857	9,057,177	1,224,680	14%
Other Income	4,276,935	3,326,399	950,535	29%
Total Other Revenue	14,558,792	12,383,577	2,175,215	18%
Total Revenue	577,558,792	595,768,577	(18,209,785)	-3%
Expenses				
Program Services				
Federal Grants and Contracts	537,426,253	549,157,024	(11,730,771)	-2%
Private Grants and Contracts	406,250	853,749	(447,499)	-52%
Total Program Services	537,832,503	550,010,773	(12,178,270)	
Supporting Services				
Expenses - MGO	28,964,182	25,320,645	3,643,537	14%
Expense - OIG	6,234,812	6,001,996	232,817	4%
Expenses - Federal Appropriation Admin Oversight	1,118,119	828,667	289,452	35%
Expenses - Private Grants	2,566,179	1,054,393	1,511,787	143%
Total Operating Expenses	38,883,293	33,205,700	5,677,593	17%
Total Expenses	576,715,795	583,216,473	(6,500,677)	-1%
Change in Net Assets	842,996	12,552,104	(11,709,108)	-93%
Beginning Net Asset Balance as of October 1, 2023	98,933,239	86,411,375		
Ending Net Asset Balance as of September 30, 2024	99,776,236	98,933,239		

Total Revenue

In FY 2024, LSC reported total revenue of \$577.5 million, a 3% decrease from \$595.7 million in FY 2023. This reduction was due to the absence of a Disaster Supplemental Appropriation in FY 2024, unlike the previous year. Congress did not pass a Disaster Supplemental Appropriation in FY 2024 to address disasters that occurred in 2024, resulting in LSC did not receiving the requested disaster funds. However, growth in other revenue streams helped offset the decrease in federal funding. Total other revenue increased by 19%, driven by the following:

- Interest income increased by \$1.2 million or 14%, amounting to \$10.2 million.
- Other income increased by 29%, or \$950,535, totaling \$4.28 million.

October 8, 2024

Total Expenses

Expenses for Program services, including Federal and Private Grants, totaled \$537.83 million. This represents a decrease of \$12.18 million from the previous year, primarily driven by a reduction in Disaster Funds awarded. Private grants also saw a reduction, down 52% to \$406,250, due to the absence of funding for the Midwest Disaster Grant. In contrast, expenses for supporting services saw a notable increase of 17% totaling to \$38.8 million. This increase was driven primarily by a 14% increase in MGO expenses and a 143% increase in expenses related to activities for LSC's 50th Anniversary.

MGO Schedule of Activities

The Schedule of Activities outlines the revenue and expenses for MGO compared to the FY 2024 Projection reviewed with the Board of Directors at the July 2024 board meeting.

Management & Operations Schedule of Activities For the Twelve Months Ended September 30, 2024				
	FY 2024 Actuals	FY 2024 Projection	Actuals vs. Projections Over/(Under) (\$)	Actuals vs. Projections Over/(Under) (%)
<u>Revenue</u>				
Management & Grants Oversight Revenue				
Appropriation	\$ 26,200,000	\$ 26,200,000	-	0%
Pro Bono Innovation Administration Fee	250,000	250,000	-	0%
US Court of Veterans Appeals Administration Fee	15,000	14,287	713	5%
ITC Registrations and Sponsorships	471,335	471,335	-	0%
Interest Income	589,108	540,156	48,952	9%
Other Revenue	3,710	4,182	(472)	-11%
Net Assets Released from Retrictions	532,571	499,716	32,855	7%
Total MGO Revenue	28,061,724	27,979,676	82,048	0%
<u>Expenses</u>				
Management & Grants Oversight Expenses				
Executive Management	2,216,218	2,195,209	21,009	1%
Grants Oversight	15,015,279	14,801,378	213,901	1%
Government Relations & Public Affairs	1,858,584	1,795,582	63,002	4%
Legal Affairs	1,853,892	1,890,142	(36,250)	-2%
Management & Operations	8,949,853	8,748,397	201,456	2%
Total MGO Expenses	29,893,827	29,430,708	463,118	2%
MGO Surplus/(Deficit)	\$ (1,832,103)	\$ (1,451,032)	\$ (381,071)	26%
Reserves to Balance Budget	\$ 1,832,103	\$ 1,451,033	\$ 381,070	

October 8, 2024

MGO Revenue

Total revenue for MGO was \$28 million, slightly above the projected \$27.9 million. The surplus is attributed to the following factors:

- Interest income earned was \$589,000, surpassing the projection by 9%.
- Net assets released from restrictions amounted to \$532,571, surpassing the projection by 7% indicating t higher-than-expected grant administration expenses.

MGO Expenses

Total expenses were \$29.8 million, which was \$463,000 or 2% higher over the projected amount.

Management & Operations Schedule of Activities by Account For the Twelve Months Ended September 30, 2024				
	FY 2024 Actuals	FY 2024 Projection	Variance Over/(Under) (\$)	Variance Over/(Under) (%)
COMPENSATION				
Salaries	18,114,772	17,830,265	284,506	2%
Taxes and Benefits	5,286,293	5,205,637	80,656	2%
Interns and Temporary Staff	212,817	179,922	32,895	18%
TOTAL PERSONNEL	23,613,882	23,215,824	398,057	2%
OPERATING EXPENSES				
Occupancy	2,190,171	2,176,433	13,739	1%
Professional Services	1,232,411	1,278,550	(46,139)	-4%
IT Infrastructure and Tools	987,010	994,238	(7,228)	-1%
Travel	620,185	514,272	105,913	21%
Meetings and Conferences	520,420	552,024	(31,604)	-6%
Human Resources	187,040	195,256	(8,216)	-4%
Insurance	126,694	127,636	(942)	-1%
Office Related Expenses	106,504	92,275	14,230	15%
Other Operating	90,881	84,396	6,485	8%
Printing	86,729	78,504	8,225	10%
Communications	79,413	74,475	4,937	7%
Depreciation and Amortization	52,487	46,825	5,663	12%
TOTAL OPERATING EXPENSES	6,279,945	6,214,884	65,061	1%
TOTAL MGO EXPENSES	29,893,827	29,430,708	463,119	2%

October 8, 2024

The variance between the FY 2024 actuals and projections were primarily driven by personnel and travel costs:

- **Personnel Costs:** initial personnel projections were made during the CBA negotiations, but the final agreement differed from those estimates. As a result, personnel costs related to the CBA terms amounted to approximately \$1 million, which was \$400,000 higher than anticipated.
- **Travel Costs:** the increase in travel expenses was to expanded Grants Oversight and Compliance reviews conducted by the Office of Compliance and Enforcement and the Office of Program Performance. While some site visits were conducted remotely, a greater number of in-person visits were completed, including a trip to Micronesia at the end of the fiscal year.

MGO Carryforward

Given the combined effect of higher-than-expected expenses and a slight increase in revenue, the deficit for MGO is \$1.7 million, which is \$300,000 higher than the projected deficit of \$1.4 million. The table below illustrates the preliminary net asset balances as of September 30, 2024.

Legal Services Corporation Summary of Net Assets For the Twelve Months Ended September 30, 2024			
Fund	Beginning Balance as of 10.01.2023	Ending Balance as of 09.30.2024	Net Change
MGO Carryforward	8,778,774	7,079,216	(1,699,557)
OIG Carryforward	2,313,618	1,935,591	(378,027)
Private Funds	4,403,297	4,990,579	587,283
Restricted Funds	83,437,551	85,770,849	2,333,298
Total Net Assets	98,933,239	99,776,236	842,996

October 8, 2024

Supplemental Information**Board of Directors**

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Board of Directors			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Travel	106,235	103,372	2,863
Meetings & Conferences	158,963	131,761	27,203
Professional Services	50,647	51,058	(411)
Office Related Expenses	-	455	(455)
Printing	-	255	(255)
Total	315,845	286,900	28,945

Compliance and Enforcement

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Compliance & Enforcement			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	4,073,052	4,121,088	(48,036)
Temporary Staff	25,925	28,010	(2,085)
Taxes	316,693	318,891	(2,198)
Benefits	909,194	919,623	(10,430)
Total Personnel	5,324,864	5,387,612	(62,748)
Travel	99,481	131,423	(31,942)
Meetings & Conferences	2,100	2,800	(700)
Professional Services	40,536	43,796	(3,260)
Office Related Expenses	3,295	2,176	1,119
Total Operating	145,412	180,195	(34,783)
Grand Total	5,470,275	5,567,807	(97,531)

October 8, 2024

Data Governance and Analysis

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Data Governance & Analysis			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	1,074,966	1,001,534	73,433
Temporary Staff	10,114	17,299	(7,185)
Taxes	78,564	67,063	11,501
Benefits	214,068	225,901	(11,833)
Total Personnel	1,377,712	1,311,797	65,916
Travel	15,861	19,083	(3,222)
Meetings & Conferences	2,690	2,690	-
Professional Services	122,575	136,035	(13,460)
IT Infrastructure & Tools	39,139	27,699	11,440
Other Operating Expenses	10,000	10,720	(720)
Total Operating	190,265	196,227	(5,962)
Grand Total	1,567,978	1,508,024	59,954

Executive Office

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Executive Office			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	1,149,669	1,181,591	(31,921)
Temporary Staff	18,301	15,321	2,980
Taxes	76,447	81,956	(5,509)
Benefits	188,166	194,707	(6,542)
Total Personnel	1,432,583	1,473,575	(40,992)
Travel	46,492	45,984	508
Meetings & Conferences	2,090	2,285	(195)
Professional Services	16,425	16,425	-
Office Related Expenses	500	480	20
Total Operating	65,507	65,174	332
Grand Total	1,498,090	1,538,750	(40,660)

October 8, 2024

Financial Services

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Financial Services			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	1,035,450	1,107,900	(72,449)
Temporary Staff	-	-	-
Taxes	77,429	78,607	(1,178)
Benefits	281,297	292,726	(11,430)
Total Personnel	1,394,176	1,479,233	(85,057)
Travel	5,443	6,331	(888)
Meetings & Conferences	-	-	-
Professional Services	381,706	353,737	27,968
Office Related Expenses	14,737	12,673	2,064
Communications	-	-	-
IT Infrastructure & Tools	121,985	122,020	(35)
Other Operating Expenses	32,002	32,518	(516)
Total Operating	555,874	527,280	28,594
Grand Total	1,950,050	2,006,513	(56,464)

Government Relations and Public Affairs

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Govt Relations/Public Affairs			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	1,327,853	1,380,199	(52,347)
Temporary Staff	11,580	16,345	(4,765)
Taxes	99,181	101,845	(2,664)
Benefits	260,897	262,461	(1,564)
Total Personnel	1,699,511	1,760,850	(61,339)
Travel	24,220	26,053	(1,833)
Meetings & Conferences	1,735	2,504	(769)
Professional Services	64,081	64,081	-
Office Related Expenses	5,756	4,818	938
Communications	279	279	-
Total Operating	96,071	97,735	(1,664)
Grand Total	1,795,582	1,858,584	(63,003)

October 8, 2024

Human Resources

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Human Resources			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	827,842	823,581	4,261
Taxes	63,613	61,932	1,680
Benefits	188,747	186,491	2,256
Total Personnel	1,080,202	1,072,005	8,197
Travel	6,853	8,329	(1,476)
Meetings & Conferences	4,390	5,335	(945)
Professional Services	91,335	98,764	(7,430)
IT Infrastructure & Tools	240	240	-
Human Resources	195,277	87,040	108,237
Professional Development		90,021	(90,021)
Team Building		10,000	(10,000)
Total Operating	298,094	299,728	(1,634)
Grand Total	1,378,297	1,371,733	6,563

Information Technology

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Information Technology			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	1,220,281	1,273,580	(53,299)
Taxes	92,867	94,273	(1,406)
Benefits	279,630	286,684	(7,054)
Total Personnel	1,592,778	1,654,537	(61,759)
Travel	1,850	1,553	297
Professional Services	117,619	82,868	34,751
Office Related Expenses		14,153	(14,153)
Communications	74,196	79,134	(4,937)
IT Infrastructure & Tools	791,404	836,581	(45,177)
Capital Expenditures	30,074	37,070	(6,996)
Total Operating	1,015,143	1,051,358	(36,215)
Grand Total	2,607,921	2,705,896	(97,974)

October 8, 2024

Institutional Advancement

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Institutional Advancement			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	264,984	278,183	(13,199)
Temporary Staff	23,910	17,460	6,450
Taxes	20,389	22,521	(2,132)
Benefits	63,365	65,318	(1,953)
Total Personnel	372,648	383,481	(10,833)
Travel	4,886	3,886	1,000
Office Related Expenses	3,741	3,201	540
Total Operating	8,627	7,087	1,540
Grand Total	381,274	390,568	(9,293)

Legal Affairs

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Legal Affairs			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	1,341,985	1,340,939	1,045
Taxes	92,016	94,730	(2,714)
Benefits	263,596	275,334	(11,738)
Total Personnel	1,697,597	1,711,003	(13,407)
Travel	13,627	14,319	(692)
Meetings & Conferences	21,158	17,678	3,480
Professional Services	156,219	105,759	50,460
Office Related Expenses	1,541	1,033	508
Printing	-	4,100	(4,100)
Total Operating	192,545	142,889	49,656
Grand Total	1,890,142	1,853,892	36,249

October 8, 2024

Office Operations

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Office Operations			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	284,303	267,226	17,078
Taxes	23,151	24,096	(944)
Benefits	38,713	56,351	(17,638)
Total Personnel	346,167	347,673	(1,505)
Travel	640	229	411
Meetings & Conferences	56,337	57,436	(1,099)
Facilities	2,176,433	2,190,171	(13,739)
Office Related Expenses	36,575	46,958	(10,382)
Insurance	127,636	126,694	942
Printing	73,468	77,338	(3,870)
Other Operating Expenses		3,795	(3,795)
Capital Expenditures	16,750	15,417	1,333
Total Operating	2,487,840	2,518,039	(30,199)
Grand Total	2,834,007	2,865,711	(31,704)

Program Performance

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Program Performance			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	4,609,352	4,710,101	(100,748)
Temporary Staff	88,447	112,087	(23,640)
Taxes	356,106	369,248	(13,142)
Benefits	1,045,806	1,031,106	14,700
Total Personnel	6,099,711	6,222,542	(122,831)
Travel	175,040	215,293	(40,253)
Meetings & Conferences	298,086	25,503	272,583
Professional Services	270,286	265,888	4,399
Office Related Expenses	21,871	6,179	15,692
Printing	5,036	708	4,329
IT Infrastructure & Tools	470	370	100
Other Operating Expenses	42,373	-	42,373
Total Operating	813,161	513,940	299,221
Grand Total	6,912,872	6,736,482	176,390

October 8, 2024

Training and Technical Assistance

Legal Services Corporation FY 2024 Projections vs 2024 Actuals Training and Technical Assistance			
Budget Category	FY2024 Projections	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	620,527	628,849	(8,323)
Temporary Staff	1,645	6,295	(4,650)
Taxes	47,345	46,566	778
Benefits	128,359	127,863	496
Total Personnel	797,875	809,574	(11,699)
Travel	13,645	9,553	4,093
Meetings & Conferences	4,475	3,165	1,310
Office Related Expenses	4,258	258	4,000
IT Infrastructure & Tools	30,000	-	30,000
Total Operating	52,378	12,976	39,403
Grand Total	850,254	822,550	27,704

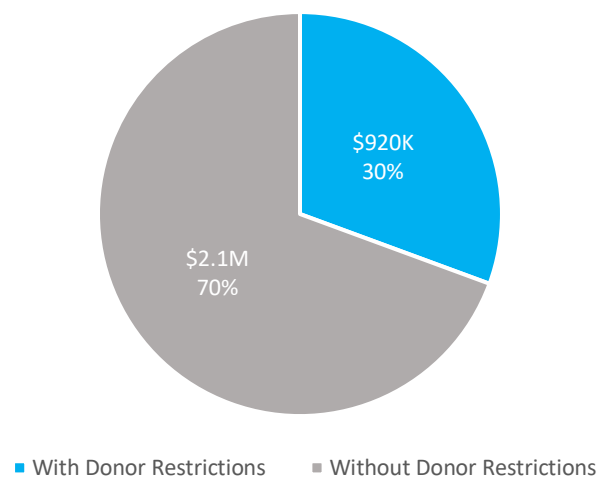
TO: Robert J. Grey, Jr, Finance Committee Chairman
FROM: Deborah Moore, Chief Financial Officer & Treasurer *dmm*
DATE: October 28, 2024
SUBJECT: Contributions for Fiscal Year 2024

This memorandum presents an analysis of contribution revenue for fiscal year 2024, with the goal of providing details into LSC's fundraising landscape. The analysis highlights key trends and significant contributors. To better understand the types of donations given to LSC, there are two ways to analyze contribution revenue, by Restriction Designation and by Donor Type.

Contributions by Restriction Designation

Under Generally Accepted Accounting Principles, contributions are classified into two categories, "with donor restrictions" and "without donor restrictions." Contributions without donor restrictions offer greater flexibility, allowing LSC to allocate funds toward any purpose aligned with its Fundraising Protocols or as designated by the Board for specific initiatives. In contrast, contributions with donor restrictions are earmarked by donors for a specific purpose or programs. While these restricted funds provide valuable support, they can also pose challenges if the specified purposes are not fully met or if other areas of the organization have more pressing needs.

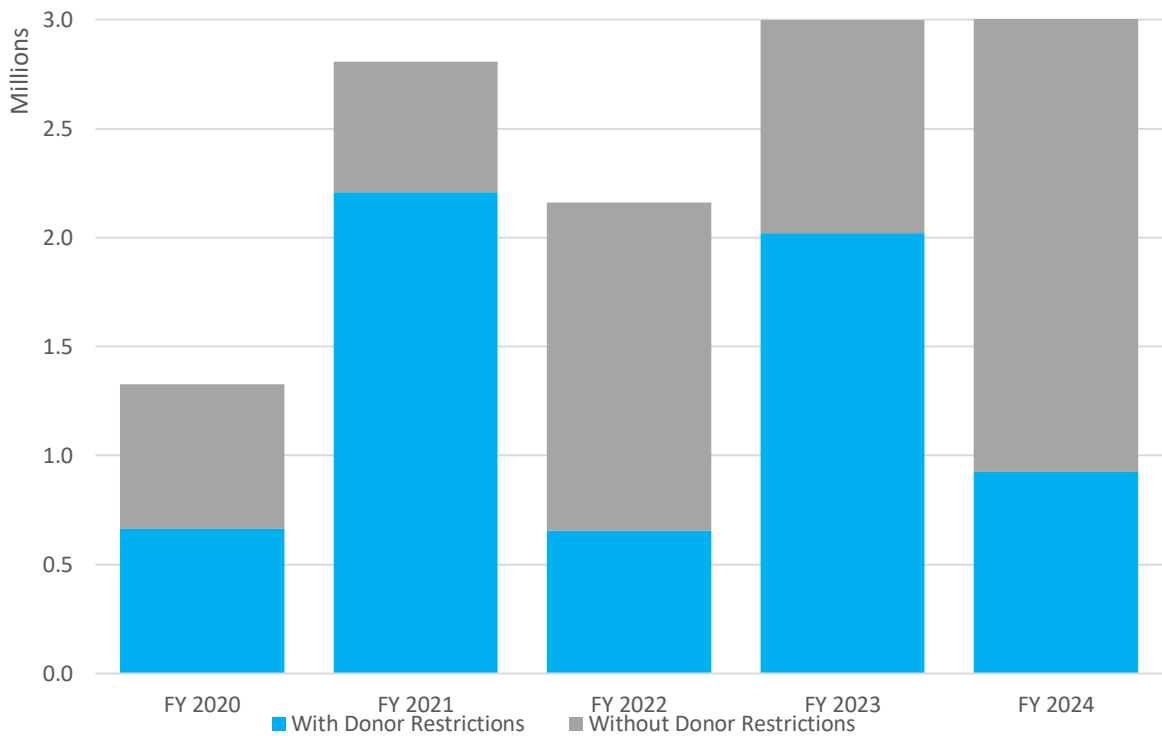
Figure 1: Contributions by Restriction Designation



LSC received \$3 million in private funds during FY 2024. This amount does not reflect \$1.7 million in pledged contributions that were not formalized in writing. As shown in Figure 1, 30% of these contributions were designated “with donor restrictions.” Of the \$920,000 in restricted contributions, 70% came from a single foundation in support of for LSC’s Civil Court Data Initiative. The remaining 30% was contributed by the Department of Health and Human Services for LSC’s Data Guardianship project and by individual donors to fund LSC Podcasts.

Contributions without donor restrictions totaled \$2.1 million, with 60% coming from law firms, 25% from a single corporation, and the remainder from individuals and nonprofits. Figure 2 illustrates the total contributions by restriction designation across fiscal years.

Figure 2: Contributions by Restriction Designation by Fiscal Year



Donor Types

LSC depends on the generosity of donors who provide critical financial support to advance the mission. While all donors contribute financial support, their donating patterns and types vary. Some are individual donors who contribute periodically, while others are organizations that sponsor specific projects or events. It is important to be aware of the differences among donor types and donating patterns to formulate fundraising initiatives that coincide with the behaviors of donors.

October 28, 2024

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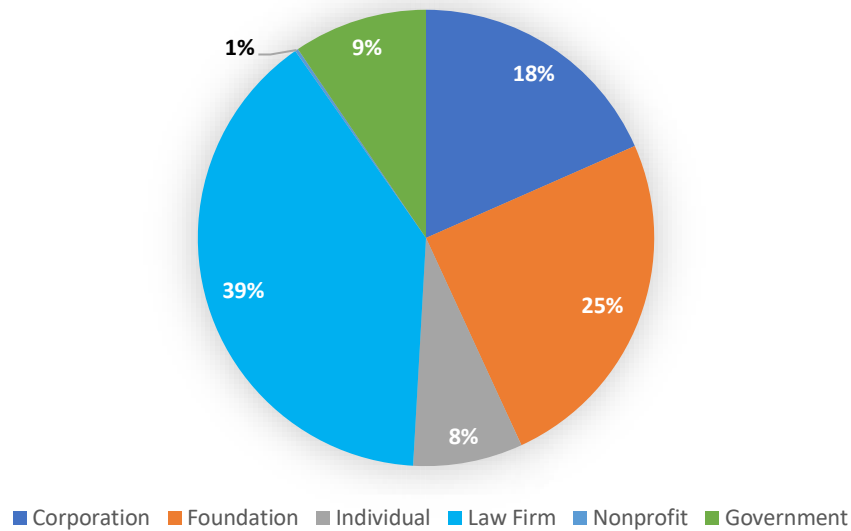
Figure 3: Contributions by Donor Type

Figure 3 illustrates total contributions by donor type for fiscal year 2024. LSC received \$3 million in total, with 39% of contributions coming from law firms, 25% from foundations, 18% from corporations, 9% from a government agency, 8% from individuals, and 1% from nonprofits.

Corporate Donors

Corporate contributions for FY 2024 were \$555,000, with \$500,000 coming from a single corporate donor. The majority of these contributions were tied to LSC's 50th anniversary.

Foundation Funders

Foundation contributions amounted to \$750,000 in FY 2024. This included a significant donation of \$600,000 from a single foundation to support LSC's Civil Court Data Initiative. The remainder of foundation donations for FY 2024 came as a part of LSC's 50th anniversary fundraising campaign.

Individual Donors

Individual contributions for the fiscal year were \$235,000 or 8% of total contributions. While many small contributions make up over half of this amount, LSC notably received an anonymous donation of \$100,000 from an individual household.

October 28, 2024

Page 4 of 4

Law Firm Donors

Law firm contributions of almost \$1.2 million make up just under 40% of total contributions for the fiscal year, including several multi-year pledges from firms promising their continued support to LSC's mission and operations.

Government Funders

At the end of 2024 LSC received a one-time contribution from the Department of Health and Human Services (HHS) Administration for Community Living (ACL) for \$286,260 to explore the landscape of adult guardianship in collaboration with the Civil Court Data Initiative work. This one-year project will examine key issues, including the volume and trends of guardianship petitions, representation rates, and the roles of healthcare and family systems in the process. The findings will inform stakeholders and policymakers to foster more equitable and informed guardianship decisions.

Nonprofit Donors

Contributions from nonprofit organizations totaled just under \$7,000 for the fiscal year, which is under 1% of total contributions. It is rare that nonprofit organizations donate to one another.

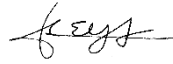


4.6. LSC OIG: Financial Report for the Period Ending August 31, 2024

MEMORANDUM

TO: Robert J. Grey, Jr., LSC Board of Directors Finance Committee Chair

FROM: David C. Maddox, Assistant Inspector General for Management and Evaluation *DCM*

THROUGH: Thomas E. Yatsco, Inspector General 

DATE: September 26, 2024

SUBJECT: LSC Office of Inspector General: Financial Report for the period ended August 31, 2024

During the period of October 1, 2023 through August 31, 2024, the Office of Inspector General (OIG) spent down carryover in support of current year operations, but at a controlled pace.¹ By September 30, 2024, the OIG projects total fiscal year (FY) 2024 expenses of approximately \$6,300,000, which would provide the OIG about \$1,850,000 in carryover into the FY 2025 budget, a reduction of approximately \$500,000 in carryover from the prior year.

Status of the Consolidated Operating Budget

In FY 2024, the OIG has been operating under a Consolidated Operating Budget (COB) of \$6,845,316, funded by the \$5,700,000 FY 2024 Appropriation and supplemented by \$1,145,315 from the additional funds available. The remaining funds available of \$1,270,107 are a prudent contingency reserve for future OIG operations, including allowing OIG to operate for several months in the event of a lapse in appropriation (or government shutdown).

The COB supports work to advance our new OIG Strategic Plan and the Inspector General's vision as outlined in the FY 2025 LSC Budget Request. We have continued to undertake a OIG Refresh initiatives to better position our office to identify management vulnerabilities at LSC and its grantees, proactively combat fraud, and to identify and communicate opportunities for LSC to improve operations. The COB is being used to expand and elevate OIG oversight, improve the OIG units' operations and management, hire subject matter experts on contract,

¹ At this time, the OIG is reporting on FY 2024 expenses through August 31, 2024, and not September 30, 2024, because the preparer of OIG financial reports is undergoing medical surgery and recovery, and will not be available in October to report on the September numbers.

retain and recruit high performing OIG staff, perform assessments and coaching, pay competitive OIG wages, increase oversight at LSC headquarters and grantee locations (including continuing to scale up in-person visits), update internal information systems, enhance data analytics, configure our new office space at International Square, improve the OIG website, and offset inflationary pressures in operating costs.

Expenses To Date

Exhibit 1 presents the expenses incurred across the budget categories through August 31, 2024, and the comparative prior year actuals. OIG expenses through the first eleven months of the fiscal year are \$5,777,542,² which is \$439,249 (or 7%) less than the pro-rata operating budget of \$6,216,791.

EXHIBIT-1
LEGAL SERVICES CORPORATION
FINANCIAL REPORT BY OPERATING EXPENSES
FOR THE ELEVEN MONTH(S) PERIOD ENDED AUGUST 31, 2024
OFFICE OF THE INSPECTOR GENERAL

	FISCAL YEAR 2024					COMPARATIVE 2023	
	ACTUAL - CY YTD - FY24	YEAR-TO- DATE BUDGET YTD - FY24	VARIANCE ACT V BUD (UNDER)/OVER	VARIANCE % (UNDER)/OVER	FULL YEAR BUDGET FY24	ACTUAL - PY YTD - FY23	VARIANCE: CY V PY (UNDER)/OVER
OPERATING EXPENSES							
COMPENSATION	3,796,009	3,856,396	(60,387)	-2%	4,163,217	3,687,442	108,566
BENEFITS	734,816	748,942	(14,126)	-2%	810,520	658,356	76,461
PERSONNEL	4,530,825	4,605,338	(74,513)	-2%	4,973,737	4,345,798	185,027
PROFESSIONAL SERVICES	664,404	867,553	(203,149)	-23%	1,077,278	598,371	66,033
TRAVEL	66,171	121,500	(55,329)	-46%	167,400	49,083	17,089
COMMUNICATIONS	43,080	64,000	(20,920)	-33%	64,000	48,926	(5,846)
OCCUPANCY	8,509	25,000	(16,491)	-66%	29,500	5,967	2,542
PRINTING	4,572	16,700	(12,128)	-73%	16,700	11,699	(7,127)
OTHER OPERATING	325,326	352,700	(27,374)	-8%	352,700	194,314	131,013
SUBTOTAL	5,642,887	6,052,791	(409,904)	-7%	6,681,315	5,254,158	388,729
AMORTIZATION EXPENDITURES	134,655	164,000	(29,345)	-18%	164,000	143,286	(8,631)
TOTAL OIG EXPENSES	5,777,542	6,216,791	(439,249)	-7%	6,845,315	5,397,444	380,098

Actuals to Budget Variances

All OIG budget categories were under budget. Notable variances in actual expenditures to the budget include:

² The expenditures include \$134,655 of depreciation related to prior capitalization of a completed software development project, as required by accounting standards. The OIG fixed asset balance book value was \$247,706 at the start of FY2024, and it is reduced to \$71,515 as of the end of August.

- Personnel expenses of \$4,530,825 are (\$74,531) under budget mainly due to four openings (associate counsel and three auditor/evaluator positions). In the coming months, we plan to fill our vacancies.
- Professional Services/contracted expenses of \$664,404 are (\$203,149) under budget, based on the timing and invoicing of certain tasks.

Ongoing Professional Services activities include the following:

- We engaged the firm Sikich (formerly Cotton and Company) to expand the impact and reach of our oversight work by performing performance audits of Southern Arizona Legal Aid, LSC's oversight of its interest in grant recipients' real property, and LSC's management and monitoring of disaster grants. The work under the first two audits is progressing well, with the real property audit being in the final stages; and work on the disaster grants audit recently commenced. Additional reviews of LSC's grant administration functions are being considered.
- IT software application consulting includes the following. The OIG has procured on-going IT software application and security support for the Audit Information Management system (AIMS) for \$42,000 annually, which manages the A-50 findings resolution process. We have contracted for software application and security for the Investigative Management Information System (IMIS) for \$35,000. Additionally, in the coming months we are migrating the audit records and reporting system (TeamMate) to the cloud hosted version, with consultant support budgeted at \$78,000.
- Organizational and management improvement support is at approximately \$15,000 monthly, to include process improvement, training, and performance coaching by the Government Accountability Office Center for Audit Excellence and FJ Grant Coaching and Consulting that will enable us to grow and further develop our employees' skills and capabilities. We also have contracted for messaging, writing, and graphics support to ensure we are effectively and innovatively communicating the results of our work.
- Monthly IT consulting support includes network and user support and content management of the current OIG website at \$15,000 monthly.
- We are undertaking a comprehensive redesign of our OIG website, which is the main way we communicate our insights and recommendations to key stakeholders. The new website will be built, hosted, and funded through the assistance of the Council of the Inspectors General on Integrity and Efficiency template website program, saving the LSC OIG approximately \$100,000 for the first year and approximately \$65,000 annually thereafter.

Travel expenses of \$66,171 are (\$55,329) under budget. OIG travel is expected to continue increasing in FY 2025.

Year-to-Year Comparison

FY 2024 OIG expenditures to date are \$380,098 more than FY 2023, as shown on the right side of Exhibit 1 (on page 2). Specific increases include:

- Expenses for Personnel are \$185,027 higher due to increased professional pay rates and benefits costs.
- Professional Services are \$66,033 more due to the increased volume of contracted audit and IT support.
- Other Operating Expenses are \$131,013 higher due to additional IT infrastructure and software-related costs needed to support OIG operations in the new LSC location.

If you have any questions regarding the OIG budget content, please direct them to Tom Yatsco, Inspector General, at (202) 507-1138 or by email at tyatsco@oig.lsc.gov. We look forward to engaging with you at the upcoming Finance Committee meeting.

Accounting Notes:

The Office of Financial and Administrative Services (OFAS) provided the complete set of financial numbers for the OIG on September 16, 2024. OFAS provides accounts payable and accounting services for the OIG. OFAS did not undertake activities to obtain any assurance that modifications are not needed for the OIG financial reports, nor has OFAS obtained an understanding of the OIG's internal controls.



4.7. Status of Fiscal Year 2025 Appropriation and Disaster Supplemental Requests

[View this email in your browser](#)



Dear EDs and LSC Colleagues:

This week Congress passed a CR (Continuing Resolution) to continue funding the federal government between October 1 and December 20 (the beginning of FY 2025). The CR generally funds the government and LSC at FY 2024 levels which for LSC is \$560 million. The President is expected to sign the bill over the weekend. If Congress does not pass an FY 2025 appropriations bill, or another CR, by December 20 – the federal government will shut down. As I have previously advised, a government shutdown would not affect LSC grantmaking unless it lasted three months or more.

Unfortunately, the decision to enact a “clean” CR – that is a measure with no other provisions aside from increasing funding for the Secret Service – means that a Disaster Supplemental Appropriation was not included. LSC has submitted a request to Congress for \$69.4 million to enable our grantees in 27 states and Guam to address the devastation caused by multiple federally declared natural disasters in 2023 and 2024. Since Congress has not provided funds for any disasters that occurred since 2022, we anticipate that Disaster Supplemental funds will be included in a final omnibus FY 2025 appropriations bill (or CR) by the end of the year.

Background: FY 2025 Appropriation Proposals

The House FY 2025 Appropriations bill proposes \$489 million for LSC. The Senate FY 2025 Appropriations bill provides funding of \$566 million for LSC. The final omnibus FY 2025 appropriations bill that will likely be enacted by the end of the year will be affected by the November election.

We will continue to keep you apprised as the appropriations process moves forward and is resolved. Please let me know if you have any questions. -Carol

Carol A. Bergman
Vice President, Government Relations & Public Affairs
Legal Services Corporation
1875 I St NW
Washington, DC 20006
202-295-1611
301-775-3629 (c)
bergmanc@lsc.gov



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4.8. LSC Fiscal Year 2025 Management and Grants Oversight Budget



Budget Memorandum

TO: Finance Committee
Robert J. Grey, Jr., Chairman

FROM: Deborah Moore, Treasurer/Chief Financial Officer dmm

DATE: October 28, 2024

SUBJECT: FY 2025 Management & Grants Oversight Budget (MGO)

This memo presents the proposed FY 2025 budget for Legal Services Corporation (LSC), outlining our strategic priorities, financial outlook, and operational needs for the upcoming fiscal year. This budget is submitted for your review and approval.

MGO Appropriation Is Expected to Remain Flat for FY 2025.

Figure 1: LSC Appropriation

Budget Category	FY 2024	FY 2025 CR (Budget)
Basic Field Grants	\$ 516,100,000	\$ 516,100,000
Technology Initiative Grants	5,000,000	5,000,000
Pro Bono Innovation Fund	5,000,000	5,000,000
Loan Repayment Assistance Program	2,000,000	2,000,000
Management and Grants Oversight	26,200,000	26,200,000
Office of Inspector General	5,700,000	5,700,000
Total	\$ 560,000,000	\$ 560,000,000

The House FY 2025 Appropriations Committee bill includes \$489 million for LSC while the Senate Appropriations Committee bill includes \$566 million. Neither bill has come to the House or Senate floor for a vote. In late September, congress enacted a Congressional Resolution (CR) to fund the federal government through December 20, 2024. If Congress is unable to enact a final FY 2025 omnibus appropriations bill in December, another CR will be needed. The result will likely be shaped by the outcome of the November elections. For now, LSC's funding remains at FY 2024 levels.

The following chart compares the FY 2024 projection, preliminary results, and the FY 2025 budget, highlighting key changes. The FY 2024 projected deficit is \$1.8 million, largely driven by \$1 million in salary increases resulting from the Collective Bargaining Agreement (CBA) signed in September 2024. The projected MGO carryforward or reserve balance for the end of FY 2024 is \$6.6 million while FY 2025 anticipates a \$1.8 million deficit, leading to a reduced reserve balance of \$4.8 million by September 30, 2025.

Figure 2: LSC Comparative Income Statement

Robert J. Grey, Jr.
MGO FY 2025 Budget
Page 2

	FY24 Projection	FY24 Actuals	FY25 Budget	FY25 Budget Increase / (Decrease)	
				vs. '24 Actuals	vs. '24 Projection
<u>MGO Revenue</u>					
Federal Appropriation	\$ 26,200,000	\$ 26,200,000	\$ 26,200,000	\$ -	\$ -
PBIF Admin Fee	250,000	250,000	250,000	-	-
Veterans Admin Fee	14,287	15,000	15,000	-	713
Innovations in Technology Conference	471,335	471,335	496,125	24,790	24,790
Interest Income	540,156	589,108	500,000	(89,108)	(40,156)
Other Revenue	4,182	3,710	50,000	46,290	45,818
Net Assets Released from Restriction	499,716	532,571	500,000	(32,571)	284
Total Revenue	\$ 27,979,676	\$ 28,061,724	\$ 28,011,125	\$ (50,599)	\$ 31,449
<u>MGO Expenses</u>					
Executive Management	\$ 2,195,209	\$ 2,209,792	\$ 2,281,970	\$ 72,178	\$ 86,761
Grants Oversight	14,801,378	15,046,886	15,674,204	627,318	872,826
Management & Operations	12,434,121	12,637,149	11,814,098	(823,050)	(620,023)
Total Expenses	\$ 29,430,708	\$ 29,893,827	\$ 29,770,272	\$ (123,554)	\$ 339,564
Change in Net Assets	\$ (1,451,032)	\$ (1,832,103)	\$ (1,759,147)	\$ 72,955	\$ (308,115)
Net Assets, 10/1/2023		8,433,547			
FY24 Change in Net Assets		(1,832,103)			
Net Assets, 9/30/2024		\$ 6,601,444			
Net Assets, 10/1/2024		6,601,444			
FY25 Budget Change in Net Assets		(1,759,147)			
Net Assets, 9/30/2025		\$ 4,842,297			

Revenue

The FY 2025 revenue is projected to remain at \$28 million, which consists of the \$26.2 million MGO appropriation, \$265,000 in grant administration fees for the Pro Bono Innovation Funds (PBIF) and US Court of Veterans Appeals (Veterans), and \$496,125 from registration fees and sponsorships for the Innovations in Technology Conference (ITC). Interest income of \$500,000, other revenue of \$50,000, and net assets released from restriction of \$500,000. The net assets released from restriction represent restricted funds and other privately funded contributions used to cover allowable MGO expenses, such as personnel and operating costs related to the oversight and administration of disaster appropriation funds.

Expenses

Total MGO expenses are projected to decrease slightly in FY 2025 compared to FY 2024, primarily due to several factors: first, the one-time CBA provisions paid in 2024; and second, lower rent expenses resulting from three free months of rent and third, the deferral of building operating expenses in the first year to establish the base year for these expenses. However, Grants Oversight expenses are expected to increase by over \$600,000 due to reduced attrition and higher travel costs.

Headcount

Figure 3: MGO

Headcount
New Position Added in OPP With No Increase in Overall Headcount.

A new program coordinator position in OPP has been created to assist with Basic Field and LRAP programs. Two website positions in Government Relations have been moved to Information Technology, and a position in Office Operations has been eliminated.

	MGO Headcount	
	FY2024	FY2025
Office Operations	3	2
Compliance & Enforcement	30	30
Data Governance & Analysis	11	11
Executive Office	7	7
Financial Services	9	9
Govt Relations/Public Affairs	10	8
Human Resources	7	7
Information Technology	8	10
Institutional Advancement	2	2
Legal Affairs	8	8
Program Performance	35	36
Training and Technical Assistance	7	7
Total	137	137

Personnel

Slight Increase in Personnel Budget (< Than 1 %).

The following factors that contribute to this increase are:

- Increased salary expenses due to a market salary study effective January 1, 2025.
- Rising benefit costs of 7% over FY 2024 levels.
- Lower attrition expected in FY 2025.
- A 3% COLA in FY 2025, compared to a 9% COLA payment in FY 2024 offset some of the personnel increases.

Figure 4: Comparative Travel Summary

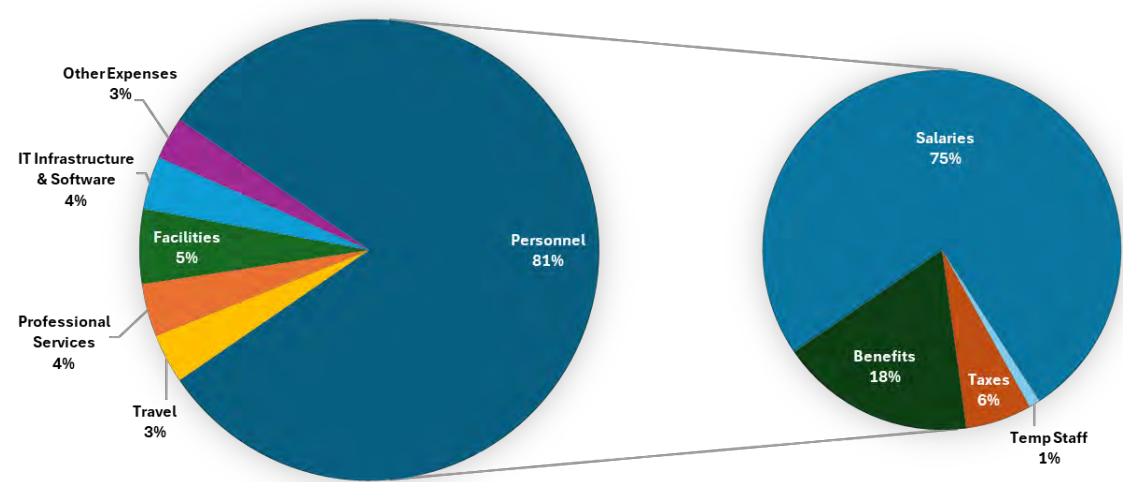
	FY 2025 Budget				FY 2024	Variance
	Salaries	Taxes	Benefits	Total	Actuals	Increase/ (Decrease)
Office Operations	\$ 138,540	\$ 11,337	\$ 37,477	\$ 187,353	\$ 347,673	\$ (160,319)
Compliance & Enforcement	4,025,689	322,429	979,789	5,327,907	5,387,612	(59,705)
Data Governance & Analysis	1,396,109	112,165	301,183	1,809,458	1,311,797	497,661
Executive Office	1,163,383	80,434	196,393	1,440,210	1,473,575	(33,366)
Financial Services	1,204,284	90,706	330,094	1,625,084	1,479,233	145,851
Govt Relations/Public Affairs	1,149,525	86,043	246,293	1,481,861	1,760,850	(278,989)
Human Resources	797,428	62,119	200,176	1,059,723	1,072,005	(12,282)
Information Technology	1,277,136	99,605	317,044	1,693,785	1,654,537	39,247
Institutional Advancement	279,966	22,580	62,915	365,460	383,481	(18,020)
Legal Affairs	1,332,084	95,667	260,541	1,688,292	1,711,003	(22,711)
Program Performance	4,680,183	377,412	1,068,537	6,126,132	6,222,542	(96,410)
Training and Technical Assistance	740,553	60,132	193,274	993,958	809,574	184,384
Total	\$ 18,184,880	\$ 1,420,627	\$ 4,193,716	\$ 23,799,223	\$ 23,613,882	\$ 185,342
FY 2024 Preliminary Actuals	\$ 18,327,588	\$ 1,361,727	\$ 3,924,566	\$ 23,613,882		
Increase/ (Decrease)	\$ (142,708)	\$ 58,900	\$ 269,150	\$ 185,342		

The chart on the previous page provides a breakdown of the FY 2025 personnel budget by category, highlighting both the budgeted numbers and their variances from

FY 2024. The largest increase is in Data Governance & Analysis, with a \$500,000 variance from FY 2024, driven by newly filled positions. Financial Services also shows a \$146,000 increase due to salary adjustments and filling vacancies. Conversely, Office Operations and Program Performance reflect significant reductions, with Office Operations decreasing by \$160,000 due to a reorganization of the function and Program Performance by \$96,000, driven by open positions.

The pie chart illustrates that personnel costs represent the largest portion of the FY 2025 budget, accounting for 81% of total expenses. Within the personnel category, salaries comprise the majority at 75%, followed by benefits at 18% and taxes at 6%. The remaining 19% of the budget is allocated to non-personnel expenses, with facilities accounting for 5%. This breakdown underscores the significance of personnel-related expenses in the overall budget.

Figure 5: Budget Breakdown by Expense Category



Benefits

Overall Benefits Are Increasing 7%.

Health Insurance remains the largest component of the benefits budget, accounting for \$2 million, with a modest 3% increase from FY 2024. The retirement contribution is projected to grow by 5%, from \$1.63 million to \$1.71 million. Other benefits, which include various

Figure 6: Benefits Summary

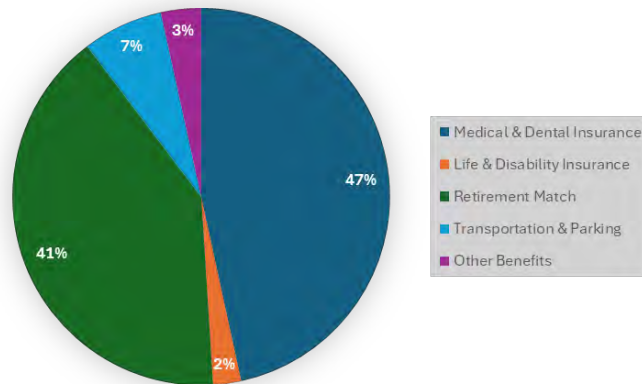
Comparative Benefits Summary			
Benefit Category	FY2025 Budget	FY2024 Actuals	% Increase/ (Decrease)
Medical & Dental Insurance	\$ 1,953,903	\$ 1,897,090	3%
Life & Disability Insurance	100,860	106,802	-6%
Retirement Match	1,706,653	1,628,565	5%
Transportation & Parking	288,120	142,176	103%
Other Benefits	144,180	148,661	-3%
Total Benefits	\$ 4,193,716	\$ 3,923,295	7%

employee programs, are expected to decrease by 3%. A significant change is the transportation and parking benefit will more than double from \$142,000 in FY 2024 to \$288,000 in FY 2025, driven by expanded transportation benefits required by the DC Commuter Benefits law.

Figure 7: Benefits Budget by

Category

Medical and dental insurance make up the largest portion of the benefits budget, representing 47% of the total. Retirement contributions follow at 41%, with transportation and parking benefits accounting for 7%. In FY 2025, LSC is changing its dental insurance provider to bundle both dental and medical coverage through CareFirst resulting in a 2% reduction in medical premiums and a 22% decrease in dental insurance premiums. Additionally, the transportation and parking benefit has been updated to cover metro, commuter buses, ride-sharing services, and parking for employees at International Square, based on their in-office work schedules.



Travel

Travel Budget Increases by 23%.

Grants Oversight accounts for 67% of the total travel expenses. Travel budgets by department and a comparison with FY 2024 actuals are provided on the next page. Most departments' travel budgets are consistent with FY 2024 actuals, except for Compliance and Enforcement (OCE), Data Governance and Analysis (ODGA), and Training and Technical Assistance (OTTA). The increase in OCE is driven by increased compliance reviews of grantees and greater staff participation in grantee events like Board of Directors meetings. ODGA and OTTA's increases result from filling open position, resulting in more staff traveling in FY 2025.

Figure 8: Travel Budget Breakdown

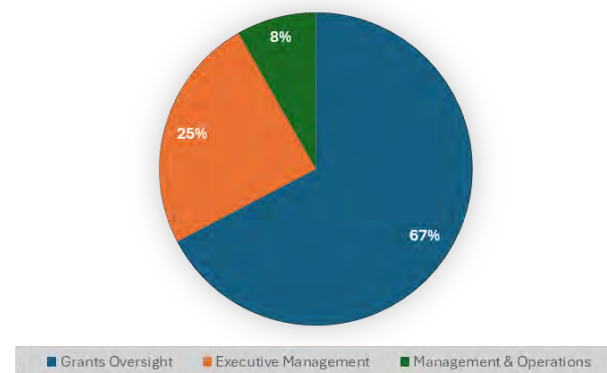


Figure 9: Comparative Travel Budget

	FY 2025 Budget	FY 2024 Preliminary Actuals	Increase/ (Decrease)
Grants Oversight			
Compliance & Enforcement	\$ 220,000	\$ 131,423	\$ 88,577
Data Governance & Analysis	31,000	19,083	11,917
Program Performance	237,700	250,070	(12,370)
Training and Technical Assistance	26,100	9,553	16,547
Total Grants Oversight	\$ 514,800	\$ 410,129	\$ 104,671
Executive Management			
Board of Directors	\$ 136,620	\$ 103,372	\$ 33,248
Executive Office	45,000	45,984	(984)
Institutional Advancement	5,000	3,886	1,114
Total Executive Management	\$ 186,620	\$ 153,242	\$ 33,378
Management & Operations			
Office Operations	\$ 1,000	\$ 229	\$ 771
Financial Services	6,000	6,331	(331)
Govt Relations/Public Affairs	29,700	26,053	3,647
Human Resources	5,000	8,329	(3,329)
Information Technology	2,200	1,553	647
Legal Affairs	19,100	14,319	4,781
Total Management & Operations	\$ 63,000	\$ 56,815	\$ 6,185
Total Travel	\$ 764,420	\$ 620,185	\$ 144,235

Professional Services

12% Decrease Due to the Completion of the TIG and PBIF Evaluations.

Figure 10: Comparative Professional Services Budget

Professional Services			
Department	FY2025 Budget		Increase/ (Decrease)
	Request	FY2024 Actuals	
Board of Directors	\$ 52,757	\$ 51,058	\$ 1,699
Compliance & Enforcement	78,000	43,796	34,204
Data Governance & Analysis	17,000	136,035	(119,035)
Executive Office	60,000	16,425	43,575
Financial Services	272,000	353,737	(81,737)
Govt Relations/Public Affairs	63,100	64,081	(981)
Human Resources	92,000	98,764	(6,764)
Information Technology	164,000	82,868	81,132
Legal Affairs	148,000	105,759	42,241
Program Performance	147,000	279,888	(132,888)
Total	\$ 1,093,857	\$ 1,232,411	\$ (138,554)

The chart highlights the FY 2025 budget request for professional services compared to FY 2024 actuals, highlighting both increases and decreases in spending. The overall

decrease in professional services is largely driven by the completion of key Data Governance and Analysis projects, including the TIG and PBIF evaluations. Notable items in the FY 2025 professional services budget include:

- Compliance & Enforcement: a \$34,000 increase, including \$38,000 for travel safety and risk assessments and \$40,000 for a Fiscal Baselines Project consultant.
- Executive Office: \$60,000 for a consultant to assist with the strategic plan.
- Financial Services: a decrease, reflecting the filling of the Director of Financial Services position, reducing the need for external consultants.
- Government Relations/Public Affairs: Consultants include \$25,000 for graphic design services and \$38,000 for legislative and media monitoring.
- Human Resources: \$38,000 for compensation consultant and \$25,000 for process improvements.
- Information Technology: \$25,000 for an IT security assessment, \$50,000 for data architecture, and \$20,000 to complete LSC's transition to cloud infrastructure.
- Program Performance: a decrease of \$132,000 following the completion of the policies and procedures manual. The budget includes \$40,000 for travel and safety assessments, \$30,000 for an intake project criteria revision.

Expenses Covered by Basic Field Interest

Given the constraints of the MGO appropriation, management remains focused on identifying alternative funding sources to cover MGO expenses. While the use of these funds is strictly governed by appropriation laws, management has successfully earmarked interest income for specific projects aligned with these guidelines, enabling for targeted investment of essential initiatives beyond the Basic Field grant allocations.

For FY 2025, management has earmarked nearly \$700,000 in interest income from Basic Field grant funds to cover four key projects: a CFO boot camp, ongoing cybersecurity training for grantees, LSC University, and grantee licenses for the Grants Management System. Notably, LSC University, which will launch FY 2025, aims to create an online database of learning and reference materials for LSC grantees. These projects will not be included in the MGO budget but will be covered by interest income.

Figure 11: Budget Items Covered by Basic Field Interest

Figure 11: Budget Items Covered by Basic Field Interest

Department	Description	FY25 Budget Amount	FY 2024 Preliminary Actuals	Increase/ (Decrease)
Grants Oversight				
Compliance & Enforcement	CFO Boot Camp	\$ 220,000	\$ -	\$ 220,000
Training and Technical Assistance	Cybersecurity Training	140,000	188,474	(48,474)
Training and Technical Assistance	LSC University	248,000	-	248,000
Total Grants Oversight		\$ 608,000	\$ 188,474	\$ 419,526
Management & Operations				
Information Technology	External GovGrants Lice	\$ 87,000	\$ 214,400	\$ (127,400)
Total Management & Operations		\$ 87,000	\$ 214,400	\$ (127,400)
Grand Total		\$ 695,000	\$ 402,874	\$ 292,126

Supplemental Schedules**Board of Directors**

Legal Services Corporation FY2025 Budget Request vs 2024 Actuals Board of Directors			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Travel	\$ 136,620	\$ 103,372	\$ 33,248
Meetings & Conferences	160,130	131,761	28,369
Professional Services	52,757	51,058	1,699
Office Related Expenses	6,493	455	6,038
Printing	3,000	255	2,745
Total	\$ 359,000	\$ 286,900	\$ 72,100
Fall Board of Directors Meeting	\$ 85,000	\$ 78,929	\$ 6,071
Winter Board of Directors Meeting	96,500	80,261	16,239
Spring Board of Directors Meeting	60,000	38,322	21,678
Summer Board of Directors Meeting	97,300	76,018	21,282
Non-Board Meeting Items	20,200	13,369	6,831
Total	\$ 359,000	\$ 286,900	\$ 72,100

The FY 2025 Board of Directors budget reflects an increase in expenses related to travel, accommodations and logistical support for board meetings. These costs include travel for board members, invited guests, and LSC staff, as well as audiovisual services, meals, and venue costs. As illustrated in the chart below, board meeting costs decreased significantly in FY 2021 and 2022, when virtual meetings became the norm due to the pandemic. However, the FY 2025 budget accounts for a shift back to in-person meetings, which has led to increased expenses compared to previous years. This return to-in person engagement, while essential, brings with it higher associated costs.

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Historical Board Meeting Costs vs FY2025 Budget						FY2025 (Budget)
	FY2020	FY2021	FY2022	FY2023	FY2024	
Fall Board Meeting	\$ 55,454	\$ 10,728	\$ 9,214	\$ 60,411	\$ 104,414	\$ 114,150
Winter Board Meeting	58,035	14,090	10,554	92,481	100,421	126,300
Spring Board Meeting	20,001	11,260	23,544	69,603	38,496	61,000
Summer Board Meeting	10,149	10,906	84,878	68,723	97,338	128,450
Total	\$ 143,639	\$ 46,982	\$ 128,189	\$ 291,218	\$ 340,670	\$ 429,900
<i>Increase/ (Decrease)</i>		<i>-67%</i>	173%	127%	17%	26%

Compliance and Enforcement

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Compliance & Enforcement			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 3,989,689	\$ 4,121,088	\$ (131,399)
Temporary Staff	36,000	28,010	7,990
Taxes	322,429	318,891	3,538
Benefits	979,789	919,623	60,166
Total Personnel	\$ 5,327,907	\$ 5,387,612	\$ (59,705)
Travel	\$ 220,000	\$ 131,423	\$ 88,577
Meetings & Conferences	4,100	2,800	1,300
Professional Services	78,000	43,796	34,204
Office Related Expenses	6,000	2,176	3,824
Total Operating	\$ 308,100	\$ 180,195	\$ 127,905
Grand Total	\$ 5,636,007	\$ 5,567,807	\$ 68,200

Data Governance & Analysis

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Data Governance & Analysis			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 1,383,109	\$ 1,001,534	\$ 381,576
Temporary Staff	13,000	17,299	(4,299)
Taxes	112,165	67,063	45,103
Benefits	301,183	225,901	75,282
Total Personnel	\$ 1,809,458	\$ 1,311,797	\$ 497,661
Travel	\$ 31,000	\$ 19,083	\$ 11,917
Meetings & Conferences	2,700	2,690	10
Professional Services	17,000	136,035	(119,035)
IT Infrastructure & Tools	66,500	27,699	38,801
Other Operating Expenses	65,000	10,720	54,280
Total Operating	\$ 182,200	\$ 196,227	\$ (14,027)
Grand Total	\$ 1,991,658	\$ 1,508,024	\$ 483,634

Program Performance

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Program Performance			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 4,560,183	\$ 4,710,101	\$ (149,917)
Temporary Staff	120,000	112,087	7,913
Taxes	377,412	369,248	8,164
Benefits	1,068,537	1,031,106	37,431
Total Personnel	\$ 6,126,132	\$ 6,222,542	\$ (96,410)
Travel	\$ 237,700	\$ 215,293	\$ 22,407
Meetings & Conferences	23,000	25,503	(2,503)
Professional Services	147,000	265,888	(118,888)
Office Related Expenses	8,000	6,179	1,821
Printing	-	708	(708)
IT Infrastructure & Tools	-	370	(370)
Total Operating	\$ 415,700	\$ 513,940	\$ (98,240)
Grand Total	\$ 6,541,832	\$ 6,736,482	\$ (194,650)

Training and Technical Assistance

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Training and Technical Assistance			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 727,553	\$ 628,849	\$ 98,703
Temporary Staff	13,000	6,295	6,705
Taxes	60,132	46,566	13,566
Benefits	193,274	127,863	65,410
Total Personnel	\$ 993,958	\$ 809,574	\$ 184,384
Travel	\$ 26,100	\$ 9,553	\$ 16,547
Meetings & Conferences	7,400	3,165	4,235
Office Related Expenses	1,400	258	1,142
IT Infrastructure & Tools	2,500	-	2,500
Total Operating	\$ 37,400	\$ 12,976	\$ 24,424
Grand Total	\$ 1,031,358	\$ 822,550	\$ 208,809

The majority of OTTA's work is funded through interest income earned from Basic Field grants, rather than being included in the MGO budget.

OTTA Ongoing Projects				
Department	Description	FY25 Budget Amount	FY 2024 Preliminary Actuals	Increase/ (Decrease)
Grants Oversight				
Training and Technical Assistance	Cybersecurity Training	\$ 140,000	\$ 188,474	\$ (48,474)
Training and Technical Assistance	LSC University	248,000	-	248,000
Total OTTA Ongoing Projects		\$ 388,000	\$ 188,474	\$ 199,526

Executive Office

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Executive Office			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 1,155,383	\$ 1,181,591	\$ (26,208)
Temporary Staff	8,000	15,321	(7,321)
Taxes	80,434	81,956	(1,523)
Benefits	196,393	194,707	1,686
Total Personnel	\$ 1,440,210	\$ 1,473,575	\$ (33,366)
Travel	\$ 45,000	\$ 45,984	\$ (984)
Meetings & Conferences	3,000	2,285	715
Professional Services	60,000	16,425	43,575
Office Related Expenses	500	480	20
Total Operating	\$ 108,500	\$ 65,174	\$ 43,326
Grand Total	\$ 1,548,710	\$ 1,538,750	\$ 9,960

Institutional Advancement

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Institutional Advancement			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 259,966	\$ 278,183	\$ (18,217)
Temporary Staff	20,000	17,460	2,540
Taxes	22,580	22,521	59
Benefits	62,915	65,318	(2,402)
Total Personnel	\$ 365,460	\$ 383,481	\$ (18,020)
Travel	\$ 5,000	\$ 3,886	\$ 1,114
Office Related Expenses	3,800	3,201	599
Total Operating	\$ 8,800	\$ 7,087	\$ 1,713
Grand Total	\$ 374,260	\$ 390,568	\$ (16,307)

Financial Services

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Financial Services			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 1,204,284	\$ 1,107,900	\$ 96,385
Taxes	90,706	78,607	12,099
Benefits	330,094	292,726	37,368
Total Personnel	\$ 1,625,084	\$ 1,479,233	\$ 145,851
Travel	\$ 6,000	\$ 6,331	\$ (331)
Professional Services	272,000	353,737	(81,737)
Office Related Expenses	15,000	12,673	2,327
IT Infrastructure & Tools	131,000	122,020	8,980
Other Operating Expenses	40,000	32,518	7,482
Total Operating	\$ 464,000	\$ 527,280	\$ (63,280)
Grand Total	\$ 2,089,084	\$ 2,006,513	\$ 82,571

Government Relations & Public Affairs

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Govt Relations/Public Affairs			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 1,124,525	\$ 1,380,199	\$ (255,674)
Temporary Staff	25,000	16,345	8,655
Taxes	86,043	101,845	(15,802)
Benefits	246,293	262,461	(16,168)
Total Personnel	\$ 1,481,861	\$ 1,760,850	\$ (278,989)
Travel	\$ 29,700	\$ 26,053	\$ 3,647
Meetings & Conferences	9,000	2,504	6,496
Professional Services	63,100	64,081	(981)
Office Related Expenses	6,300	4,818	1,482
Communications	-	279	(279)
Total Operating	\$ 108,100	\$ 97,735	\$ 10,365
Grand Total	\$ 1,589,961	\$ 1,858,584	\$ (268,624)

Human Resources

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Human Resources			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 797,428	\$ 823,581	\$ (26,153)
Taxes	62,119	61,932	187
Benefits	200,176	186,491	13,685
Total Personnel	\$ 1,059,723	\$ 1,072,005	\$ (12,282)
Travel	\$ 5,000	\$ 8,329	\$ (3,329)
Meetings & Conferences	3,000	5,335	(2,335)
Professional Services	92,000	98,764	(6,764)
IT Infrastructure & Tools	-	240	(240)
Human Resources	37,000	87,040	(50,040)
Professional Development	90,000	90,021	(21)
Team Building	70,000	10,000	60,000
Total Operating	\$ 297,000	\$ 299,728	\$ (2,728)
Grand Total	\$ 1,356,723	\$ 1,371,733	\$ (15,010)

Information Technology

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Information Technology			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 1,277,136	\$ 1,273,580	\$ 3,555
Taxes	99,605	94,273	5,332
Benefits	317,044	286,684	30,360
Total Personnel	\$ 1,693,785	\$ 1,654,537	\$ 39,247
Travel	\$ 2,200	\$ 1,553	\$ 647
Professional Services	164,000	82,868	81,132
Office Related Expenses	200	14,153	(13,953)
Communications	93,000	79,134	13,866
IT Infrastructure & Tools	890,000	836,581	53,419
Capital Expenditures	13,200	37,070	(23,870)
Total Operating	\$ 1,162,600	\$ 1,051,358	\$ 111,242
Grand Total	\$ 2,856,385	\$ 2,705,896	\$ 150,489

Legal Affairs

Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Legal Affairs			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 1,332,084	\$ 1,340,939	\$ (8,855)
Taxes	95,667	94,730	937
Benefits	260,541	275,334	(14,793)
Total Personnel	\$ 1,688,292	\$ 1,711,003	\$ (22,711)
Travel	\$ 19,100	\$ 14,319	\$ 4,781
Meetings & Conferences	17,900	17,678	222
Professional Services	148,000	105,759	42,241
Office Related Expenses	1,400	1,033	367
Printing	-	4,100	(4,100)
Total Operating	\$ 186,400	\$ 142,889	\$ 43,511
Grand Total	\$ 1,874,692	\$ 1,853,892	\$ 20,799

Office Operations

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Legal Services Corporation FY2025 Budget Request vs 2024 Preliminary Actuals Office Operations			
Budget Category	FY2025 Budget Request	FY2024 Preliminary Actuals	Increase/ (Decrease)
Salaries	\$ 138,540	\$ 267,226	\$ (128,686)
Taxes	11,337	24,096	(12,759)
Benefits	37,477	56,351	(18,874)
Total Personnel	\$ 187,353	\$ 347,673	\$ (160,319)
Travel	\$ 1,000	\$ 229	\$ 771
Meetings & Conferences	31,200	57,436	(26,236)
Facilities	1,539,000	2,190,171	(651,171)
Office Related Expenses	62,950	46,958	15,993
Insurance	128,750	126,694	2,056
Printing	49,000	77,338	(28,338)
Other Operating Expenses	-	3,795	(3,795)
Capital Expenditures	48,000	15,417	32,583
Total Operating	\$ 1,859,900	\$ 2,518,039	\$ (658,138)
Grand Total	\$ 2,047,253	\$ 2,865,711	\$ (818,458)



4.9. [See Addendum] LSC OIG Fiscal Year 2025 Temporary Budget



4.10. Resolution #2024-XXX: Temporary Operating Budget and Special Circumstance Operating Authority for Fiscal Year 2025



BOARD OF DIRECTORS

RESOLUTION #2024-XXX

TEMPORARY OPERATING BUDGET AND SPECIAL CIRCUMSTANCE OPERATING AUTHORITY FOR FISCAL YEAR 2025

WHEREAS, the Board of Directors (“Board”) of the Legal Services Corporation (“LSC”) has reviewed information regarding the status of the Fiscal Year (“FY”) 2025 appropriation and the U.S Court of Veterans Appeals grant; and

WHEREAS, the President signed a Continuing Resolution to fund the federal government at the FY 2024 level through December 20, 2024, thereby funding LSC at the FY 2024 levels until that date. The funds available for the revised Temporary Operating Budget including projected FY 2024 Net Assets Balance (or “carryforward”) are:

- 1) Continuing Resolution funding for LSC of \$560,000,000;
- 2) Continuing Resolution funding for the Office of Inspector General (“OIG”) of \$5,700,000;
- 3) U.S. Court of Veterans Appeals funding of \$3,000,000;
- 4) LSC’s net assets balance in the amount of \$97,840,644; and
- 5) OIG’s net assets balance in the amount of \$1,935,591.

WHEREAS, Management and LSC’s Inspector General recommend that a Temporary Operating Budget be adopted reflecting the funds available;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts a Temporary Operating Budget for FY 2025 totaling \$563,000,000, which

- \$516,100,000 USD is for the Delivery of Legal Assistance;
- \$5,000,000 USD is for Pro Bono Innovation Fund;
- \$5,000,000 USD is for Technology Initiative Grant;
- \$2,000,000 USD is for Herbert S. Garten Loan Repayment Assistance Program;
- \$3,000,000 USD is for the U.S. Court of Veterans Appeals;
- \$26,200,000 USD is for Management and Grants Oversight (“MGO”); and
- \$5,700,000 USD is for the OIG.

In addition to the Temporary Operating Budget for FY 2025, net assets available are \$99,776,235, of which

\$7,079,216 is for MGO carryover;
\$1,935,591 is for the OIG carryover;
\$5,122,408 is Private Funds; and
\$ 85,770,848 is restricted net assets,

BE IT FURTHER RESOLVED that the Board hereby authorizes Management, in consultation with the Chairman of the Board and Chairman of the Finance Committee, to increase or decrease the annual grant awards, as necessary, in response to the anticipated enactment of an FY 2025 appropriation.

Adopted by the Board of Directors on MM/DD/YYYY

John G. Levi
Chairman

Attest:

Will A. Gunn
General Counsel & Corporate Secretary



5. Board of Directors Meeting



5.1. Board of Directors Meeting Agenda

BOARD OF DIRECTORS

October 29, 2024

Agenda

OPEN SESSION

1. Pledge of Allegiance
2. Approval of Agenda
3. Announcement of Results of Recent Notational Votes — *Will Gunn, General Counsel and Corporate Secretary*
 - a. [Resolution #2024-007: Ratifying the Collective Bargaining Agreement through 2028](#)
 - b. [Resolution #2024-008: Authorization to Enter into Line of Credit Agreement \(FY 2024\)](#)
4. Approval of Minutes of the Board's Open Session Meeting on July 24, 2024
5. Consider and Act on Resolution #2024-XXX: In Memoriam of Phyllis J. Holmen
6. Chairman's Report — *John Levi*
7. Members' Reports
8. President's Report — *Ron Flagg*
9. Briefing on LSC's Office Relocation — *Jada Breegle, Chief Information Officer*
10. Briefing on Grantee Activity Reports — *Holly Stevens, Chief Data Officer*
11. Inspector General's Report — *Tom Yatsco*
12. Consider and Act on the Report of the Delivery of Legal Services Committee (*Meeting held Oct. 7*)

Agenda continues on next page

13. Consider and Act on the Report of the Operations and Regulations Committee (*Meeting held Oct. 7*) — *Laurie Mikva*
14. Consider and Act on the Report of the Governance and Performance Review Committee (*Meeting held Oct. 8*) — *John Malcolm*
15. Consider and Act on the Report of the Institutional Advancement Committee (*Meeting held Oct. 15*) and Communications Subcommittee (*Meeting held Oct. 7*) — *John Levi and Julie Reiskin*
16. Consider and Act on the Report of the Audit Committee — *Frank Neuner*
17. Consider and Act on the Report of the Finance Committee — *Robert Grey*
 - a. Consider and Act on Resolution #2024-XXX: Temporary Operating Budget and Special Circumstance Operating Authority for Fiscal Year 2025
18. Public Comment
19. Consider and Act on Other Business
20. Consider and Act on Whether to Authorize a Closed Session of the Board to Address Items Listed Below

CLOSED SESSION

21. Approval of Minutes of the Board's Closed Session Meeting on July 24, 2024
22. Management Briefing
23. Inspector General's Briefing — *Tom Yatsco*
24. General Counsel's Report on Outside Counsel Expenditures and Litigation Report — *Will Gunn*
25. Consider and Act on List of Prospective Leaders Council and Emerging Council Invitees
26. Consider and Act on Motion to Adjourn the Meeting



5.2. QR Codes to View Recently Adopted Resolutions: Resolution #2024-007 (CBA) and Resolution #2024-008 (Line of Credit)

USE YOUR CELLPHONE CAMERA TO SCAN

Resolution #2024-007

Ratifying the Collective Bargaining Agreement through 2028



Resolution #2024-008

Authorization to Enter into Line of Credit Agreement (FY 2024)





5.3. Draft Minutes of the Board of Directors Meeting on July 24, 2024 (Open Session)

Legal Services Corporation
Meeting of the Board of Directors

Open Session

Wednesday, July 24, 2024

Chairman John G. Levi convened an open session meeting of the Legal Services Corporation's ("LSC") Board of Directors at 9:48 a.m. U.S. Central Time on July 24, 2024. The meeting took place remotely over Zoom videoconference and in-person in Minneapolis, MN. A transcript of the meeting is available on the LSC website here: [LSC Board of Directors Meeting Transcript \(open session\) July 24, 2024](#).

The following Board members attended the meeting:

John G. Levi, *Chair*
 Father Pius Pietrzyk, O.P., *Vice Chair*
 Robert J. Grey, Jr.
 Abigail Lawlis Kuzma
 Victor B. Maddox
 Laurie Mikva
 Frank X. Neuner, Jr.
 Julie A. Reiskin
 Gloria Valencia-Weber
 Ronald S. Flagg, *ex officio*

Also in attendance:

Amanda Bachert	Instructional Designer and Trainer, Legal Services Corporation
Carol Bates	Audit Manager, LSC Office of Inspector General
Jennifer Berger	Program Counsel, Legal Services Corporation
Carol A. Bergman	Vice President for Government Relations and Public Affairs, Legal Services Corporation
Jada Breegle	Chief Information Officer, Legal Services Corporation
Porsha Brower	Director of Audit Operations, LSC Office of Inspector General
Chris Buerger	Chief Counsel, Civil Legal Services, National Legal Aid & Defender Association
Carolina Caicedo	Program Counsel, Legal Services Corporation
Roxanne Caruso	Assistant Inspector General for Audit, LSC Office of Inspector

	General
Beth Castillo	Senior Audit Program Analyst, LSC Office of the Inspector General
Danielle Chappell	Program Counsel, Legal Services Corporation
Amy Christensen	Accountant, Legal Services Corporation
Stefanie Davis	Deputy General Counsel & Ethics Officer, Legal Services Corporation
Vanessa Dillen	Program Counsel, Legal Services Corporation
Elena DiTraglia	Executive Coordinator, Legal Services Corporation
Sydney Dunning	Program Counsel, Legal Services Corporation
Maria Duvuvuei	Special Projects Manager, Legal Services Corporation
John Eidleman	Senior Program Counsel, Legal Services Corporation
Nadia Elguindy	Director, Office of Institutional Advancement, Legal Services Corporation
Crescentia Ezenwajiaku	Human Resources Generalist, Legal Services Corporation
Ronald S. Flagg	President, Legal Services Corporation
LaTrice Flucas-Cush	Program Counsel, Legal Services Corporation
Ben Gao	Program Counsel, Legal Services Corporation
Kittie Grant	Space and Operations Manager, Legal Services Corporation
Will A. Gunn	General Counsel & Corporate Secretary, Legal Services Corporation
Helen Guyton	Deputy General Counsel, Legal Services Corporation
Allison Hallowell	Special Grant Program Coordinator, Legal Services Corporation
Andrew Hensel	Auditor, LSC Office of the Inspector General
Ronké Hughes	Director, Office of Training and Technical Assistance, Legal Services Corporation

Selena Hunn	Deputy Director, Office of Program Performance, Legal Services Corporation
Mabel Imala	Director of Financial Services, Legal Services Corporation
Elijah Johnson	Assistant General Counsel, Legal Services Corporation
Eric Jones	Network Engineer, Legal Services Corporation
Dayo Kadree	Program Officer, Legal Services Corporation
Punya Kalra	Research Associate, Legal Services Corporation
Fisseha Kebede	IT Security Analyst, Legal Services Corporation
Craig Kemper	Government Relations Counsel, Legal Services Corporation
Shrushti Kothari	Disaster Grants Program Counsel, Legal Services Corporation
Megan Lacchini	Deputy Director, Office of Compliance and Enforcement, Legal Services Corporation
Kate Lam	Instructional Designer & Trainer, Legal Services Corporation
David Maddox	Assistant Inspector General for Management and Evaluation, LSC Office of Inspector General
Chinnamma Mathew	Administrative Assistant, Legal Services Corporation
Caitlin Maziarz	Fiscal Compliance Analyst, Legal Services Corporation
Adele McAllister	Basic Field Grant Program Coordinator, Legal Services Corporation
Debbie Moore	Chief Financial Officer and Treasurer, Legal Services Corporation
Kevin Moran	Fiscal Compliance Analyst, Legal Services Corporation
Dan Morris	Executive Director, Central Minnesota Legal Services
Jessie Nicholson	CEO, Southern Minnesota Regional Legal Services
Grace Nyakoe	Audit Director, LSC Office of Inspector General
Daniel O'Rourke	Assistant Inspector General for Investigations, LSC Office of Inspector General

Carolyn Perez	Program Counsel, Legal Services Corporation
B Petersen	Training & Technical Assistance Writer & Content Editor, Legal Services Corporation
Lora M. Rath	Director, Office of Compliance and Enforcement, Legal Services Corporation
Carl Rauscher	Director, Communications and Media Relations, Legal Services Corporation
Anastasia Rea	Intern, Legal Services Corporation
Kate Reifenberg	Executive and Board Project Coordinator, Legal Services Corporation
Jane Ribadeneyra	Senior Program Officer for Technology, Legal Services Corporation
Seigrid Rich Walker	Program Counsel, Legal Services Corporation
Brittney Richardson	Auditor, LSC Office of the Inspector General
Jennifer Rivers	Instructional Designer – Analyst, Legal Services Corporation
Karly Satkowiak	Chief of Staff, Legal Services Corporation
James Scruggs	Deputy Director, Office of Program Performance, Legal Services Corporation
Daniel Sheahan	Program Evaluation Analyst, LSC Office of the Inspector General
Peter Shonerd	Production Manager, Diversified Reporting Services, Inc.
Brittany Sims Nwankwoala	Assistant General Counsel, Legal Services Corporation
Laurie Tarantowicz	Assistant Inspector General and Legal Counsel, LSC Office of Inspector General
Julianne Tarver	Program Counsel, Legal Services Corporation
Rose Taulton	Community Representative, Southern Arizona Legal Aid
Angela Tripp	Program Officer for Technology, Legal Services Corporation
Tallin Walker	Training and Technical Assistance Coordinator, Legal Services Corporation

Jessica Wechter	Special Assistant to the President, Legal Services Corporation
Christine Williams	Program Manager for Basic Field Competition, Legal Services Corporation
Tom Yatsco	Inspector General, LSC Office of Inspector General

The following summarizes actions taken by, and presentations made to, the LSC Board of Directors:

Chairman Levi called the meeting to order at 9:48 a.m. U.S. Central Time.

The Pledge of Allegiance was recited by all participants collectively.

Chairman Levi asked for a motion to approve the agenda.

MOTION

Father Pius Pietrzyk moved to approve the agenda. Mr. Neuner seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Levi asked for the Board to consider the minutes from the Board of Directors open session meetings on May 17, 2024 and April 8, 2024.

MOTION

Father Pius Pietrzyk moved to approve the minutes from the Board of Directors open session meetings on May 17, 2024 and April 8, 2024. Mr. Neuner and Ms. Kuzma seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Levi asked for the Board to consider and act on Resolution #2024-XXX: Approving the Minnesota Charitable Organization Annual Report Form.

MOTION

Father Pius Pietrzyk moved to approve Resolution #2024-XXX: Approving the Minnesota Charitable Organization Annual Report Form. Mr. Neuner seconded the motion.

VOTE

The motion passed by voice vote.

Chairman Levi presented the Chairman's Report and answered questions from the Board.

Father Pius Pietrzyk, Ms. Valencia-Weber, Mr. Neuner and Ms. Reiskin presented Members' Reports and answered questions from the Board.

Mr. Flagg presented the President's Report and answered questions from the Board.

Mr. Yatsco reported on Inspector General.

A report was given on the Governance and Performance Review Committee and indicated there were no action items.

A report was provided on the Institutional Advancement Committee.

Mr. Neuner reported on the Audit Committee and indicated there were no action items.

Mr. Grey reported on the Finance Committee. He asked the Board to consider approving the 2024 temporary operating authority for fiscal year 2025.

MOTION

The Board moved to approve the 2024 Temporary Operating Authority for Fiscal Year 2025.. Mr. Neuner seconded the motion.

VOTE

The motion passed by voice vote.

Mr. Grey also asked the Board to consider approving Resolution #2024-XXX: Adopting LSC's Budget Appropriation Request for Fiscal Year 2026.

MOTION

The Board moved to approve Resolution #2024-XXX: Adopting LSC's Budget Appropriation Request for Fiscal Year 2026. Mr. Neuner seconded the motion.

VOTE

The motion passed by voice vote.

Ms. Kuzma reported on the Delivery of Legal Services and indicated there are no action items.

Ms. Reiskin reported on the Communications Subcommittee and indicated there were no action items.

Ms. Mikva reported on the Operations and Regulations Committee. She asked the Board to approve the Final Rule for 45 C.F.R. Part 1607 – Composition for Governing Bodies.

VOTE

The Board approved and was passed by voice vote.

Chairman Levi ask for public comment and receive one from Chris Buerger.

Chairman Levi asked if there was any other business.

Hearing none, Chairman Levi asked for a motion to adjourn the open session meeting.

MOTION

Ms. Reiskin moved to adjourn the open session meeting. Motion was seconded (Female Participant).

VOTE

The motion passed by voice vote.

Whereupon, at 11:18 a.m. U.S. Central Time, the LSC Board of Directors open session meeting was adjourned.



5.4. Resolution #2024-XXX: In Memoriam of Phyllis J. Holmen

RESOLUTION #2024-XXX IN MEMORIAM OF PHYLLIS J. HOLMEN

The Board of Directors of the Legal Services Corporation (LSC) recognizes, honors, and thanks Phyllis Jane Holmen for her lifelong commitment to serving low-income communities through civil legal services. Phyllis was a beloved and influential figure whose leadership and passion deeply impacted her coworkers, the members of LSC's Board and staff, and countless others in the legal aid community. Her legacy extends far beyond those who knew her personally, as her work and dedication continue to inspire us all. Those fortunate to work with or encounter Phyllis knew her as kind, compassionate, authentic, and deeply devoted to serving people in poverty. Her colleagues, friends, and the entire legal aid community will remember her for her fierceness, her profound sense of shared humanity, and her love of creating intricate Danish goods. We mourn her passing alongside her family, friends, and colleagues nationwide.

Phyllis joined the Georgia Legal Services Program (GLSP) in 1974 as a staff attorney in the Savannah office and went on to serve as its Executive Director for 28 years, beginning in 1990. Over her distinguished 43-year career with GLSP, Phyllis tirelessly advanced civil legal aid for low-income clients, leaving an indelible mark on the organization and the communities served. Author Melissa Faye Greene described Phyllis as "a social justice warrior," adding, "I can't imagine a better person to have on your side than Phyllis if you were marginalized and needed help." As the Executive Director of GLSP, Phyllis set high standards and helped staff attorneys meet those standards. She was also instrumental in securing diverse funding sources, expanding GLSP's budget to \$14 million, and growing its staff to 195 people who provided civil legal aid to Georgians in 154 counties outside metro Atlanta.

In addition to providing stability and strong financial foundations for the delivery of legal services in Georgia, Phyllis focused on innovative approaches to deliver legal services. From early on, Phyllis recognized the importance of using technology to reach clients in remote areas where transportation challenges and financial burdens made face-to-face interactions difficult. Under her leadership, GLSP launched the nation's first internet-based Temporary Protective Order project in the mid-1990s, long before virtual meetings became commonplace. Phyllis also oversaw the creation of GLSP's first medical-legal partnership (MLP) in Macon. The MLP model, in which attorneys are co-located onsite in health care settings, made legal services more accessible and helped patient-clients overcome legal issues that compromised their physical and mental well-being. Phyllis also co-founded the Women's Policy Group, which advocated for policies benefiting women in Georgia for over two decades. Phyllis' deep commitment to

helping low-income individuals allowed her to lead GLSP's advocates – and legal service providers nationwide – in providing meaningful access to justice for those who would otherwise be left to navigate the legal system alone.

Over the years, Phyllis received numerous awards and honors, including a Lifetime Achievement Award from the ALM publication of the Daily Report, the EPIC Inspiration Lifetime Commitment to Public Service Award from Emory Public Interest Committee at Emory University School of Law, and the distinction of being the first legal aid lawyer to receive the Distinguished Alumna Award from the University of Illinois College of Law.

The Board honors Phyllis Holmen for her unwavering commitment to providing civil legal aid to low-income communities and enhancing access to justice throughout her lifetime. Her significant contributions in expanding funding and resources for legal services – particularly her advocacy for essential reforms and her efforts to build partnerships within the legal aid community – have left a lasting impact. Phyllis' legacy will continue to inspire future generations of legal advocates and serve as a guiding light in the pursuit of justice for all.

Adopted by the Board of Directors on MM/DD/YYYY.

John G. Levi
Chairman

Attest:

Will A. Gunn
General Counsel & Corporate Secretary



5.5. Request for Proposals for Strategic Planning Consultant and Timeline



LEGAL SERVICES CORPORATION

**DRAFT REQUEST FOR PROPOSALS
FOR STRATEGIC PLANNING CONSULTANT**

Open: November 1, 2024 – December 13, 2024

INTRODUCTION

Legal Services Corporation (LSC) seeks a strategic planning consultant to assist in updating its strategic plan for the next five years. The consultant will evaluate LSC's 2021-2025 strategic plan and associated implementation reports, gather input through surveys and interviews, conduct benchmarking, and produce a report to guide the organization's new 2026-2030 plan. The consultant will not draft the plan.

ABOUT LEGAL SERVICES CORPORATION

LSC is a federally established and funded grant making organization that supports civil legal aid providers across the country. Its mission is to expand access to justice by funding high-quality, free attorneys for low-income Americans in basic civil matters like divorce, child custody, and eviction. It does not provide direct legal services itself.

LSC is headed by a bipartisan board of directors, whose members are appointed by the President of the United States and confirmed by the United States Senate. Much like federal agencies, LSC receives an annual appropriation and is subject to ongoing congressional oversight. But as a private nonprofit, it enjoys greater independence and flexibility than its federal counterparts.

LSC promotes equal access to justice by awarding grants to independent legal aid providers through a competitive grants process. LSC distributes almost 95 percent of its total funding in grants. LSC currently has 130 grant recipients with more than 890 offices in every congressional district in the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Micronesia.

LSC performs robust oversight of its grant recipients, conducting audits and on-site visits to evaluate grant recipient quality and compliance with statutory and regulatory requirements and various funding restrictions. LSC also provides training and technical assistance to grant recipients. LSC encourages its grant recipients to leverage limited resources by partnering and collaborating with other funders of civil legal aid, including state and local governments, programs that collect and distribute interest on lawyers' trust accounts (IOLTA), state access to justice commissions, the private bar, philanthropic foundations, law schools, corporations, and private donors.

LSC grant recipients are administered by local governing bodies, which are statutorily required to be comprised of mostly attorneys and client-eligible members. The legal services provided by grant recipients differ based on the unique and pressing needs of the respective communities they serve. The most common practice areas are family, housing, consumer, health, employment law, and income maintenance. The types of cases frequently encountered by LSC grant recipients include evictions, debt collection, foreclosures, divorces, child custody, spousal abuse, child abuse or neglect, access to health care, and benefit claims such as unemployment, disability, the Supplemental Nutrition Assistance Program (SNAP), and other forms of public assistance.

You can learn more about LSC by [exploring its website](#).

PROJECT OVERVIEW

Since 2000, LSC has engaged in strategic planning to advance its mission of promoting equal access to justice in our Nation and providing high quality civil legal assistance to low-income persons. The

Consultant will evaluate the [current 2021-2025 strategic plan](#) and associated implementation reports, capture feedback from stakeholders through surveys and interview sessions, conduct benchmarking, and summarize findings for LSC leadership.

DUTIES, TASKS, MILESTONES, AND DELIVERABLES

Using the following assumptions, the successful Consultant will be expected to work closely with LSC's Strategic Planning Team to perform the duties and tasks outlined below and complete the associated milestones and deliverables during the project term:

Duties and Tasks

1. Kick-Off Meeting

The consultant will meet with LSC's Strategic Planning Team to align on roles, responsibilities, and project execution. LSC will provide relevant materials from previous strategic plans and current strategic conversations held by senior leadership, and the Parties will discuss how best to execute project deliverables.

2. Survey Development and Execution

The Consultant will administer anonymous surveys to stakeholders to evaluate the effectiveness of the 2021-2025 goals and to help shape the 2026-2030 plan. LSC will provide initial thoughts on survey questions. Consultant will review, improve, and finalize the survey. Consultant will use their own survey tool to administer the survey and compile results. In terms of scope, LSC anticipates that it will survey:

- 130 grant recipient executive directors
- 130 grant recipient board chairs
- 50 members of the client community
- 75 external stakeholders
- Estimated 3-6 Congressional staff

3. Stakeholder Interviews

The consultant will conduct approximately 30 Zoom interviews to evaluate the effectiveness of the 2021-2025 goals, to help shape the 2026-2030 plan, and to discuss stakeholders' vision for LSC's future. LSC will provide initial thoughts on interview questions for each group. Stakeholder groups include:

- One-on-ones with the 10 current LSC Board Members. Additional information on LSC's Board and Committees can be found at: <http://www.lsc.gov/about-lsc/board-members>.
- 1 group interview with LSC Board Committee Members
- 2 group interviews with members of the client community. To learn more about our grant recipients' clients, please see client success stories at: <http://www.lsc.gov/what-legal-aid/client-success-stories>.
- 3 group interviews with LSC staff
- 2 group interviews with LSC Management Team
- 5 interviews with LSC's key donors

- 1 group interview with LSC’s most active Leaders Council members
- 1 group interview with LSC’s most active Emerging Leaders Council Members
- One-on-one interviews with interested members of Congressional staff
- 3 Group interviews with interested grant recipient executive directors
- 1 public listening sessions (LSC will notice this session in the Federal Register and promote it through its “LSC updates” newsletter).

4. Benchmarking

The consultant will conduct benchmarking to provide valuable insights into industry best practices, helping LSC to refine its strategic goals and ensure the organization remains competitive and effective in delivering high-quality civil legal aid across the Nation. As the consultant gathers and analyzes feedback from stakeholders, LSC will schedule a dedicated benchmarking meeting. During this meeting, LSC’s strategic planning team, along with the consultant, will identify key areas of performance, strategy, and operations that should be benchmarked against other national grant-making organizations and federally funded grant-making bodies. They will collaboratively decide which specific organizations to compare against, considering factors such as similar funding structures, program priorities, and scope of services.

5. Findings Report

At the conclusion of the survey, interviews, and benchmarking, the strategic planning consultant will compile and analyze the information obtained. The consultant will provide to LSC a Findings Report with the data, analysis, and recommendations for the 2026-2030 Strategic Plan. While the consultant will not draft the 2026-2030 Strategic Plan, the Findings Report should be sufficiently comprehensive to guide LSC in drafting the Plan.

6. Meeting cadence

LSC expects that the strategic planning consultant will be available for a 90-minute kick off meeting, 90-minute benchmarking meeting, and weekly 30-minute status check-in meetings with the Strategic Planning Team.

Milestones

The strategic planning consultant will perform the work described in *Duties and Tasks* as follows:

DUE DATE	DELIVERABLE
Week of February 25, 2025	Complete kick-off meeting
Week of March 4, 2025	Begin stakeholder outreach
Week of March 11, 2025	Present draft surveys and interview questions to LSC for input
Week of March 25, 2025	Launch survey

April 1-20, 2025	Conduct stakeholder interviews
Week of April 21, 2024	Complete benchmarking meeting
Week of May 5, 2025	Interim Findings Report due to LSC for input
May 30, 2025	Final Report and Recommendations to LSC due
Through October 2025	Remain available to assist and advise through periodic calls and emails while LSC finalizes its Strategic Plan for presentation to Board of Directors

Project Management

1. Dedicated Team

The successful candidate must ensure that a senior leader serves as the primary point of contact for the duration of the engagement. While junior staff may support the project, we require that a senior leader actively advise and oversee the work, maintaining direct communication with our team.

2. Location of Performance

Preference will be given to a consultant in the DC/Maryland/Virginia (DMV) area who could participate in the kickoff meeting, benchmarking meeting, and potentially other periodic meetings in person at LSC's headquarters. However, LSC will consider a consultant outside of the DMV area. Please account for your transportation expenses in your bid. LSC will not reimburse for parking or transit.

Estimated Contract Term and Schedule

LSC estimates that its overall strategic planning process will take nearly a year to complete, with the goal of seeking Board approval for the strategic plan in October 2025. The consultant will perform most of the tasks described in the RFP between February and May but should remain available to consult with LSC periodically throughout the remainder of LSC's strategic planning process.

CONSULTANT QUALIFICATIONS

The successful candidate will have demonstrated experience creating and conducting surveys, interviews, and other steps necessary for strategic planning for nonprofit organizations. LSC values and encourages proposals from diverse candidates and consulting teams, including those from underrepresented backgrounds. The candidate should be adept at tailoring surveys and interview questions to a variety of audiences, while simultaneously creating a cohesive plan to ensure that all work elicits information capable of comparison. Knowledge of civil legal services and the access to justice community, as well as experience with federally funded organizations, are not requirements but are highly desirable. LSC expects this engagement to be a team process and seeks candidates who are willing to work collaboratively to achieve LSC's goals. Candidate should provide at least three (3) references in their bids.

RFP SCHEDULE

DATE	EVENT
Fri. Nov. 1, 2024	RFP issued
Tue. Nov. 12, 2024	Deadline for respondents to submit RFP questions
Mon. Nov. 25, 2024	LSC responds to RFP questions
Fri. Dec. 13, 2024	Deadline for respondents to submit proposals
Week of January 13, 2025	Notification to successful consultant of preliminary selection and contract negotiation
Balance of January 2025	Contract negotiations and approval
Week of February 25, 2025	Performance begins

PROPOSAL SUBMISSION REQUIREMENTS

All proposals must be 15 pages or less (exclusive of cover letter, table of contents, biographies, sample work product), must be well-organized, and must demonstrate how the consultant's proposed services, approach and methodology, qualifications, experience, and terms meet or exceed LSC's requirements. Candidates should include the following information in their proposals:

Consultant Information

- Full name, address, telephone number, contact person, email, and website
- Consultant overview, including a brief history, number of employees, and number of years in operation.
- RFP point-person. Please include title, phone number, and email address.
- Your experience in working with a grant-making organization like LSC to update and revise a strategic plan.
- Your opinion on three to five critical factors that contribute to successful strategic planning.
- Your experience evaluating, updating, and revising strategic plans, versus conducting the process from the ground-up.
- Your unique capabilities/experiences that your firm would bring to the process.
- Samples of surveys, questionnaires, and webinars that you have developed in the past.
- Your experience working with the legal services community.
- A breakdown of the types of organizations that you have worked with in the past (e.g., non-profits, funders, government, commercial) and the type of work provided.
- Examples of your experience soliciting feedback from high-level individuals, such as state supreme court Chief Justices or Members of Congress.
- Three (3) references.

Pricing and Pricing Methodology

Pricing must be itemized and must include a written explanation of all fees and costs, including transportation costs.

Staffing

Provide resumes and/or biographies for staff members who will be creating and conducting surveys, interviews, and other tasks necessary for strategic planning for nonprofit organizations.

Other Information

You may provide other information or material(s) that you believe are relevant to our evaluation or that would provide additional value to LSC.

RFP RELATED QUESTIONS

Please submit questions relating to this RFP by email to Assistant General Counsel Elijah Johnson at rfpresponse@lsc.gov, with a Cc: to Chief of Staff Karly Satkowiak at karly@lsc.gov, **no later than 3:00 p.m. Eastern Time on Tuesday, November 12, 2024**. Answers to questions will be shared with all RFP respondents and posted to <http://www.lsc.gov/rfp-strategic-planning-consultant>.

PROPOSAL DEADLINES AND MODE OF DELIVERY

Proposals must be in electronic form (PDF or Microsoft Word), and received **on or before 3:00 p.m., Eastern Time, Friday, December 13, 2024**. Please email your proposals to Assistant General Counsel Elijah Johnson at rfpresponse@lsc.gov, with a Cc: to Chief of Staff Karly Satkowiak at karly@lsc.gov. Please do not mail any materials to LSC headquarters.

You are solely responsible for ensuring that your proposal is delivered on time. Late proposals may be accepted in LSC's sole discretion. You must bear all costs incurred in preparing your proposal; contract awards will not cover proposal costs.

PROPOSAL EVALUATION CRITERIA

The contract will be awarded to the consultant who provides the **best value** – the most advantageous balance of price, quality, and performance – to LSC. Proposals will be evaluated based on the following criteria:

- ✓ **Quality**
 - Qualifications and experience of consultant and proposed staff
 - Technical expertise
 - Delivery schedule
 - Project plan and approach
- ✓ **Performance**
 - Timeliness of deliverables
 - Capacity
 - Understanding of and ability to meet LSC's needs
 - Responsiveness to LSC
 - Professionalism of representatives
- ✓ **Price**
 - The reasonableness of the price for the service being provided.
 - Whether the price is realistic (especially if it is an estimate), reflects a clear understanding of LSC's need, and is consistent with other parts of the proposal.
 - Cost by labor category (if a times and materials contract).
 - The cost of incidental expenses, including taxes and service fees, administrative costs, travel and

transportation costs.

- ✓ **Demonstrated reputation for excellence in price, performance, and quality**
- ✓ **Diverse candidates and consulting teams, including those from underrepresented backgrounds**
- ✓ **Willingness to accept LSC's terms**

LSC'S RIGHTS

LSC reserves the right to:

- Accept or reject any or all proposals, or any part thereof;
- Waive any informalities or technicalities contained in any proposal received;
- Conduct discussions with respondents and accept revisions of proposals after the closing date;
- Make an award based upon various selection criteria;
- Request clarification from any respondents on any or all aspects of its proposals;
- Cancel or re-issue this RFP at any time;
- Retain all proposals submitted in response to this RFP; and
- Invite some, all, or none of the respondents for interviews, demonstrations, presentations, and further discussion.

CONFIDENTIALITY

During the RFP process, you may be given access to LSC's confidential or proprietary information. By submitting a proposal, you agree not to use this information for your or any third-party's benefit, and will not disclose this information to any person who does not have a need to know.

FREEDOM OF INFORMATION ACT

The Freedom of Information Act (FOIA) and associated LSC regulations may require LSC to disclose certain documents to the public, including portions of your proposal. If your proposal is requested under FOIA, LSC will contact you before releasing parts or all of it. Generally, LSC will not release any documents that would cause your consultancy competitive harm. You are encouraged, however, to label any confidential information contained in your proposal to facilitate LSC's ability to identify it.



Executive Office

MEMORANDUM

TO: LSC Board of Directors

FROM: Ron Flagg, President;
Carol Bergman, Vice President for Government Relations and Public Affairs;
Will Gunn, Vice President for Legal Affairs, General Counsel, and Corporate Secretary
Lynn Jennings, Vice President for Grants Management;
Debbie Moore, Chief Financial Officer;
Karly Satkowiak, Chief of Staff

DATE: 07/08/2024

SUBJECT: Proposed Timeline and Approach for Developing the 2026-2030 Strategic Plan

LSC's current strategic plan runs from 2020-2025. The process to develop the last three strategic plans has taken six to nine months, and we expect our next strategic plan to take roughly the same amount of time. Below is the proposed timeline and approach for developing the 2026-2030 strategic plan.

Q3 of 2024: Preparation and Planning.

- Vice Chairman Father Pius Pietrzyk will guide the process in partnership with the Officers and Chief of Staff.
- Draft an RFP to identify a consultant to conduct public outreach and collect stakeholder input through various engagement methods (e.g. survey, interviews, focus groups, and sessions with LSC management and staff), analyze the data, and complete benchmarking against other grantmaking organizations.
- Compile a list of stakeholders to survey.

Q4 of 2024: Preparation and Planning

- Issue RFP after October board meeting and select a consultant.
- Develop a stakeholder survey that seeks to capture feedback on:
 - Goals, initiatives, and tasks outlined in the 2021-2025 Strategic Plan
 - LSC's effectiveness in achieving the strategic priorities
 - Staff alignment to the strategic plan
 - External factors that could impact LSC's future direction
- Draft interview and/or listening session questions for a various stakeholder groups including:
 - Client eligible board members
 - Congressional staff
 - Executive Directors
 - External Stakeholders
 - LSC Board of Directors
 - Non-Director LSC Committee Members
 - LSC Management Team

- LSC Staff
- Schedule interviews and listening sessions
- Draft federal register notices

Q1 of 2025: Data Collection and Analysis

- Conduct the stakeholder survey
- Conduct interviews and hold listening sessions
- Schedule stakeholder focus groups
- Analyze collected data
- Conduct benchmarking against other grantmaking organizations

The Advisory Committee reviews and interprets the collected data

Q2 of 2025: Drafting. Draft the strategic plan, defining specific, measurable, relevant, and achievable goals.

Q3 of 2025: Board Review. The Advisory Committee and Board of Directors review and provide feedback on the draft strategic plan.

Q4 of 2025: The Board of Directors approves the strategic plan.



5.6. Materials from LSC Board Committee Meetings on Oct. 7, 8, & 15

USE YOUR CELLPHONE CAMERA TO SCAN

Committee Meeting Materials

Delivery of Legal Services, Communications,
Operations & Regulations (Oct. 7)
and Governance & Performance Review (Oct. 8)



Institutional Advancement (Oct. 15)



DELIVERY OF LEGAL SERVICES (DLS) COMMITTEE

October 7, 2024

Agenda

OPEN SESSION

1. Approval of Agenda
2. Approval of Minutes of the Committee's Open Session Meeting on July 23, 2024
3. LSC Performance Criteria Revisions Update
 - *Lynn Jennings, Vice President for Grants Management*
4. Office of Training and Technical Assistance Update
 - *Ronké Hughes, Director, Office of Training and Technical Assistance*
5. Recognizing Long-Serving Grantee Staff: Years of Service Project Update
 - *Jessica Wechter, Special Assistant to the President, Executive Office*
6. Comments from Client Leadership Council
 - *Zella Knight (California)*
 - *Scott Owens (Florida)*
7. Public Comment
8. Consider and Act on Other Business
9. Consider and Act on a Motion to Adjourn the Meeting

COMMUNICATIONS SUBCOMMITTEE OF THE INSTITUTIONAL ADVANCEMENT COMMITTEE

October 7, 2024

Agenda

OPEN SESSION

1. Approval of Agenda
2. Approval of Minutes of the Subcommittee's Open Session Meeting on July 24, 2024
3. Communications and Social Media Update
 - Carl Rauscher, *Director of Communications and Media Relations*
4. Update on Dynamic Strategic Communication Plan for 2025
 - Carl Rauscher, *Director of Communications and Media Relations*
5. Public Comment
6. Consider and Act on Other Business
7. Consider and Act on Motion to Adjourn the Meeting



Dynamic Strategic Communication Plan for 2025

INTRODUCTION & OBJECTIVES

Following the groundwork laid in 2024, LSC is excited to continue educating new audiences about the importance of *Protecting the Promise*. Using the [Dynamic Strategic Plan format established at the onset of the 50th anniversary](#), and through ongoing input from Board members, Staff, and grant recipient Executive Directors, this is intended to be a living document that will evolve throughout the year.

The following objectives will serve as guiding principles for activities:

1. Expanding New Audiences

Throughout the year, LSC will leverage the strides made during 2024 to continue expanding its reach and sphere of influence, specifically focusing on:

- Targeted congressional districts and members
- Corporate leaders and the business community
- Religious leaders and the faith community
- Civic and other leaders at state and local levels

2. Strategic Programming

LSC's programmatic efforts in 2025 will focus on building or strengthening relationships that advance the organization's strategic goals, including raising private funds, expanding support for civil legal aid, and educating policy makers and the public on the justice gap. Topics will center on issues that have resonated most with stakeholders during the past few years, including:

- Serving the needs of natural disaster survivors,
- Serving the needs of domestic violence survivors,
- Combatting the effects of the opioid epidemic,
- Keeping Americans in their homes by preventing evictions,
- Serving the needs of rural Americans,
- Serving the needs of Veterans,
- Serving the needs of older Americans,
- Improving and enhancing the use of technology to promote access to justice, and
- Using pro bono volunteers to leverage scarce legal aid resources.

3. Proactive Outreach

Building on momentum from 2024 in media and outreach activities, LSC will leverage more proactive outreach efforts for future sustainable use, including:

- Identify new opportunities for speaking engagements that focus on target audiences
- Identify opportunities in geographical areas where LSC is holding events
- Build a storybank of usable client stories including training to grantees on story banking and public messaging.
- Using storytelling as a core outreach strategy,
- Partnering with grantees on local media pitches prior to (and following) events,
- Collaborating with other national partners (ABA, MIE, NLADA, EJW, federal agencies, and others) on a coordinated public messaging calendar, and
- Continuing to build a network of diverse client speakers with broad geographic reach.

KEY ACTIVITIES

Protecting the Promise to Rural Americans

[TBD, 2025, Location TBD](#)

LSC will release its Rural Justice Task Force report. Staff will seek input from the Task Force's co-chairs, Rebecca Rapp and Father Pius, well in advance of the event.

If there is thematic alignment, LSC may apply to have representatives of the Rural Justice Task Force present or speak at mission-aligned events (e.g., National Rural Health Association, May 2025, Georgia). LSC will look for opportunities to take advantage of relationships that local grantees, task force members and/or Leaders/ Emerging Leaders Council members have.

Amplification Efforts:

- Develop a comprehensive release strategy, including press, social, and paid media opportunities
- Identify Members of Congress as spokespersons for Report and rollout events
- Record and release a thematically aligned podcast to highlight the report
- Develop print and digital content necessary for marketing and hosting accompanying event
- Distribute hard copies to Board, LC, grantees and stakeholders
- Partner with Task Force Members, LC, ELC, U.S. Department of Justice Office of Access to Justice, and influencers in the Rural Justice space to further amplify, including a toolkit for social media, a hashtag strategy, and targeted requests for outreach into new/different sectors (example: [On the Front Porch](#) series co-hosted by RJTF member Tony Pipa)
- Consider paid media strategy, to accompany earned media, for saturating targeted rural districts (example: iHeart Radio, social media)

Innovation and Technology Conference (ITC) 2025

[January 13-15, 2025, Phoenix, AZ](#)

LSC will mark 25 years of its ITC in 2025. This year's event will focus on artificial intelligence's impact on civil legal aid and will provide updates on cutting-edge innovation as well as practical solutions legal services providers can use in all aspects of their work – from back-house operations to service delivery.

Amplification Efforts:

- Develop a comprehensive marketing strategy, including press, social, and paid media opportunities
- Develop print and digital content necessary for marketing and hosting accompanying event
- Create a hashtag and social media toolkit to release to presenters and attendees at registration, including signage throughout the conference to encourage posting
- Record and release a podcast from the conference

Protecting the Promise: Topic to Be Determined

January 26-28 or 27-29, 2025, Tampa, FL

In conjunction with the January Board meeting, LSC will work with local grantee(s) to build an outreach program that highlights issues important to the grantee(s) and helps to move the needle on the issues identified, prioritizing strategies for amplifying client voices.

Amplification Efforts:

- Partner with grantees and speakers on joint programming, messaging calendar, and multi-media marketing for the event
- Create and release a social media mini-toolkit that can be used by grantees, speakers, and other partners
- Develop print and digital content necessary for marketing and hosting accompanying event

Building Strategic Support: FY 26 Congressional Budget Request

January-March 2025, Washington, DC

Each spring, Members of the U.S. [House](#) and [Senate](#) circulate bipartisan “Dear Colleagues” letters requesting robust funding for Legal Services Corporation for the next fiscal year. In the months preceding, LSC holds of hundreds of educational meetings with Members of Congress to lobby for the FY26 appropriation request, and educate about the justice gap and the importance of providing civil legal assistance for their constituents.

Amplification Efforts:

- Publish LSC’s FY26 Congressional Budget Request – due to Congress in February (but delay of WH budget likely with presidential transition)
 - Press release and social media re budget request
 - Distribute hard copies to Board, LC, grantees and stakeholders
- LSC to host lunch events on Capitol Hill for congressional staff to build bipartisan support
- Transmit the letters to grant recipients, ELC, and LC Members so folks can acknowledge support in follow up meetings

LSC at the Saratoga Symposium

March, 2025, Washington, D.C.

The Saratoga Group brings together the leaders of the national legal education organizations. For the 2024-2025 academic year, the group’s focus is on “the role of legal education in closing the justice gap and how AI can help; how traditional legal education values of scholarship, teaching, and service can be effectively engaged; and what steps are next.” LSC will participate in Saratoga Group’s one-day symposium aimed at broadly educating those in the legal education to (a) more deeply understand what civil

legal aid is and the impact of the work, (b) understand what the justice gap is, and (c) identify ways participants, through their work, can help bridge the justice gap.

Amplification Efforts:

- Partner with the Saratoga Group on joint programming, messaging calendar, and marketing for the event
- Invite local Leaders Council and Emerging Leaders Council members to attend or engage in the symposium

Announcement of Next LSC Task Force or Special Project (topic TBD)

[Spring/Summer 2025, Announcement](#)

LSC will announce the formation of its newest task force, likely focused on one of the following:

- Criminal record expungement and the intersection with workforce and economic issues, as well as housing
- Domestic violence and the critical role representation plays in the outcome of civil legal cases

Amplification Efforts:

- Develop a comprehensive marketing strategy, including press, social, and paid media opportunities, in collaboration with task force members
- Create and release a social media mini-toolkit that can be used by task force members and their organizations
- Record and release a thematically aligned podcast

Celebrating Justice: An Open House and Programming at LSC's New Office Space at International Square

[April 6-8, 2025, Washington, D.C.](#)

In conjunction with both the **Q3 Board Meeting** and ABA Days, LSC will host an open house at its new office space at International Square. This event will invite funders, partners, and stakeholders to see the new office space and hear about LSC's strategic priorities for the year and vision for the future. The event also will feature client speakers who will share their personal experiences.

Amplification Efforts:

- Partner with ABA on joint programming, messaging calendar, and marketing for ABA Days and open house event
- Develop a comprehensive marketing strategy, including press, social, and paid media opportunities
- Develop print and digital content necessary for marketing and hosting accompanying event
- Consider conducting targeted outreach to key stakeholders and members of Congress, leveraging partnerships where appropriate
- Consider hosting a special event for Leaders Council and/or Emerging Leaders Council, to deepen relationships and connection to LSC
- Invest in professional photography to release a digital photo gallery from the event

Building Strategic Support: External Stakeholder Support

[April 2025, Announcement](#)

Each spring, external stakeholder groups send letters of support to the House and Senate Appropriations Committees urging maximum possible funding for LSC before the appropriation is finalized. By way of example, here are the letters from 2024:

- [State Attorneys General](#): 39 bipartisan state AGs
- [Law Firms](#): 154 law firms in all 50 states
- [Corporate General Counsels](#): 147 GCs of the largest businesses in America
- [Law Deans](#): 84 law deans from across the country
- [National Conferences of Chief Justices and State Court Administrators](#)

In addition to their importance to the budget process, these letters give LSC the opportunity to spotlight A2J champions in government, private practice, law schools, and courts and highlight the bipartisan nature of LSC's support. LSC will promote the letters, in collaboration with signers, both nationally and locally.

Amplification Efforts:

- Promote the letters with press and on social media platforms
- Transmit the letters to grant recipients, ELC, and LC Members with a social media mini-toolkit that they can use to acknowledge their support

Celebrating Justice

[May/June 2025, New York, NY](#)

In partnership with Leaders Council members and other local champions, LSC will host an event closing out its 50th anniversary year in New York. Planning is currently in process with local champions, who are serving as point persons on 50th campaign outreach efforts.

Amplification Efforts:

- Develop a comprehensive marketing strategy, including press, social, and paid media opportunities
- Create and release a social media mini-toolkit that can be used by local champions and their organizations

Protecting the Promise: Topic to be determined

[July 14-16, 2025, Detroit, MI](#)

In conjunction with the July Board meeting, LSC will work with local grantee(s) to build an outreach program that highlights issues important to the grantee(s) and helps to move the needle on the issues identified, prioritizing strategies for amplifying client voices.

Amplification Efforts:

- Partner with grantees and speakers on joint programming, messaging calendar, and multi-media marketing for the event
- Create and release a social media mini-toolkit that can be used by grantees, speakers, and other partners
- Develop print and digital content necessary for marketing and hosting accompanying event

Annual Publications Promotion

[August 2025, Announcement + Mailing](#)

Each year, LSC publishes its Annual Report and "By the Numbers" publication. LSC will promote these publications, including an engaging digital version, hosted natively on LSC's website.

Amplification Efforts:

- Issue a release to press and for social media
- Develop creative for By the Numbers (example: video that can be distributed via social media)
- Distribute hard copies to Board, LC, grantees and stakeholders

Disaster Grant Announcements[Summer 2025, Announcement](#)

LSC will announce funds distribution for its disaster grants.

Amplification Efforts:

- Issue a release to press and for social media
- Work with Disaster team to build out a month-long social media campaign

PBIF Grant Announcements[Summer 2025, Announcement](#)

LSC will announce the 2026 round of PBIF grants, in collaboration with grantees.

Amplification Efforts:

- Work with grantees to issue local press releases
- Work with Congressional offices to incorporate quotes from local representatives
- Work with PBIF team to determine if there is an opportunity for a podcast

Justice through Disaster[September \(tentative\) 2025, Seattle, WA](#)

In recognition of Disaster Preparedness Month, and in partnership with corporate partner Amazon, LSC will host an event on disaster preparedness and response. Staff will work in collaboration with team members from Amazon who focus on outreach to disaster-affected areas. The goal of the event will be to provide a platform for thought leadership on justice-related issues that impact survivors of natural disasters.

Amplification Efforts:

- Develop a comprehensive event marketing strategy, including press, social, and paid media opportunities
- Create a press kit for the event
- Release a thematically aligned podcast to highlight the podcast
- Update relevant disaster webpages with information relating to the event
- Partner with Amazon team members, LSC disaster team members, LC, ELC, and influencers in disaster preparedness and response to further amplify
- Explore possibility of releasing a report of summary findings and best practices after the event concludes

Protecting the Promise through Pro Bono

October 1, 2025, Messaging Campaign

LSC will explore a messaging campaign for Pro Bono Month (October) jointly with the ABA, to highlight research and recommendations by the Standing Committee on Pro Bono and Public Service.

Amplification Efforts:

- Work with ABA to issue joint press release
- Consider working with grantees to issue local press releases
- Work with PBIF and ODGA teams to put together engaging social media content for the release, and all month long for Pro Bono Month
- Work with PBIF team to determine if there is an opportunity for a podcast

Protecting the Promise: Topic to Be Determined

October 16-21, 2025, Denver, CO

In conjunction with the October Board Meeting, LSC will partner with Colorado Legal Services (CLS). The event also will recognize CLS' 100th Anniversary. LSC will work with CLS to build an outreach program that highlights issues important to the grantee(s) and helps to move the needle on the issues identified, prioritizing strategies for amplifying client voices.

Amplification Efforts:

- Partner with grantees and speakers on joint programming, messaging calendar, and multi-media marketing for the event
- Create and release a social media mini-toolkit that can be used by grantees, speakers, and other partners
- Develop print and digital content necessary for marketing and hosting accompanying event

Protecting the Promise through Innovation

November 2025, Announcement

LSC will publicly announce the 2026 round of TIG grants, in collaboration with grantees.

Amplification Efforts:

- Work with grantees to issue local press releases
- Work with Congressional offices to incorporate quotes from local representatives
- Work with TIG team to put together engaging social media content for the release
- Work with TIG team to determine if there is an opportunity for a podcast

Protecting the Promise to Veterans

November 2025, Virtual Event

LSC will plan and host a virtual Veteran's Month event, planned in collaboration with the Veterans Task Force, the VA, and target members of Congress. The event will highlight a specific issue pertinent to veterans facing civil legal needs and will aim to educate the public about these issues and build support for civil legal aid for veterans. The event will incorporate strategies to amplify client voices.

Amplification Efforts:

- Partner with task force members and speakers on joint programming, messaging calendar, and multi-media marketing for the event
- Create and release a social media mini-toolkit that can be used by task force members, speakers, and other partners
- Develop digital content necessary for marketing and hosting accompanying event

SUPPORTING ACTIVITIES

- Publish quarterly LSC Updates email newsletter, continuing audience segmentation and messaging testing started during the 50th anniversary campaign, to continue moving audience members toward becoming strong(er) advocates for civil legal aid and access to justice issues.
- Develop plan for increase content creation, with special emphasis on video and a focus on most widely used and fastest growing platforms, including YouTube, Facebook, and Instagram.
- Launch segmented social media channels (as sub-brands connected to LSC's overarching brand) targeting specific audiences for training and research departments, to be amplified when appropriate across LSC's main platforms. Consider leveraging paid promotion to (a) help with growth of new audience bases and (b) test messaging for new target audiences.
- Pilot influencer marketing strategies in a couple targeted instances (example: John Grisham) to determine ROI and recommend whether to pursue a broader approach to this strategy.
- Explore engagement with faith communities via LSC's MPI work and across departments.
- Leverage annual recognition weeks/months to further promote access to justice issues, using hashtag strategies to reach a broader audience, including:
 - **Jan:**
 - **Feb:** World Day for Social Justice, National Teen Dating Violence Awareness and Prevention Month (DV)
 - **Mar:** Developmental Disabilities Month (education, individuals living with disabilities), International Women's Day (data highlight: majority of legal aid clients are woman-headed households)
 - **Apr:** Second Chance Month (reentry), Fair Housing Month (housing), Financial Literacy Month (consumer debt)
 - **May:** Memorial Day (veterans), National Hospital Week (MLPs)
 - **Jun:** National PTSD Awareness Month (veterans, opioids)
 - **Jul:** 4th of July, Passage of the ADA (individuals living with disabilities)
 - **Aug:** back-to-school (education)
 - **Sep:** National Preparedness Month (disaster recovery), National Recovery Month (opioids), Labor Day (protecting worker rights)

- **Oct:** Pro Bono Month (pro bono), Domestic Violence Awareness Month (domestic violence), anniversary of CDC Eviction Moratorium expiring in 2021 (eviction), Indigenous People's Day (grantees serving Native communities; community justice workers)
- **Nov:** Veterans Day (veterans), Love Your Lawyer Day (Nov. 1), Homelessness Prevention Month (eviction/foreclosure), Family Caregivers Month (older Americans), Giving Tuesday (fund development)
- **Dec:** End-of-Year Giving (fund development)
- Leverage staff, and in particular Officer, travel plans and speaking engagements as opportunities to further extend LSC's reach, by working with local grantees to incorporate additional events/meetings with key stakeholders or new audiences.
- Highlight staff participation in recurring substantive activities as an opportunity to highlight thought leadership and public education on issues (example: FEMA Roundtables).

WHERE LSC AIMS TO HAVE A PRESENCE in 2025

As confirmed, we will fold these into the schedule above.

- Exploring an event in collaboration with **Harvard Law School**, mirroring the successful collaboration with Stanford Law School in fall 2024.
- Exploring other ways to get LSC's message in front of new audiences, including submitting proposals to conferences like **TED, Aspen Ideas Fest, and SXSW**.
- Considering hosting a resource table at the **American Society on Aging's "On Aging" Conference** (April 21-24, 2025, Orlando, FL) on legal services to older Americans, spotlighting LSC's work with HHS/ACL.
- Presenting at the **Big City Emergency Managers' Conference** (April 2025, Location TBD) on legal services in disaster preparation and response.
- Presenting or hosting a resource table at **American Aging Association's Annual Meeting** (May 11-14, 2025, Anchorage, AL) on legal services for older Americans and work with HHS/ACL.
- Presenting at the **National VOAD 2025 Conference** (May 19-22, 2025, Louisville, KY) on legal services in disaster preparedness and response.
- Presenting at the National Rural Health Association's **Annual Rural Health Conference** (May 20-23, 2025, Atlanta, GA) on rural justice issues.
- Presenting at **Rural Assembly Everywhere** (spring or fall 2025, virtual) on rural justice issues.
- Presenting at the **U.S. Conference of Mayors' 93rd Annual Meeting** (June 2025, Location TBD). Potential topics should align with the Forum's themes and could include: the Justice Gap, legal assistance to special populations, eviction prevention, or another timely topic. LSC will work with a local grantee and local mayor and grant recipient to submit a partnered proposal that highlights a successful example of municipal support of legal services.
- Presenting at the **National Association of Counties' Annual Conference** (July 2025, TBD Location). Potential topics should align with the meeting's themes and could include: the Justice Gap, legal assistance to special populations, or expanding access to justice through innovation, pro bono, or other means.
- Presenting at the **50th Annual Natural Hazards Conference** (July 13-16, 2025, Broomfield, CO) on legal services in disaster preparation and response.

- Presenting at the **National Conference of Chief Justices' Annual Meeting** (July 26-30, 2025, Rockport, Maine). Potential topics should align with the meeting's themes and could include: the Justice Gap, legal assistance to special populations, or expanding access to justice through innovation, pro bono, or other means.
- Presenting at the **National Conference of State Legislatures Annual Legislative Summit** (August 4-6, 2025, Boston, Massachusetts). Potential topics should align with the Forum's themes and could include: the Justice Gap, legal assistance to special populations, or expanding access to justice through innovation, pro bono, or other means.
- Hosting a resource table at the **National Emergency Management Association Annual Forum** (October 2025, Location TBD) on legal services in disaster preparedness and response.
- Presenting at the Housing Assistance Council's **National Rural Housing Conference** (November 3-7, 2025, Washington, D.C.), on rural justice issues.
- Hosting a resource table at the **International Association of Emergency Managers Annual Conference** (November 2025, Location TBD) on legal services in disaster preparedness and response.
- Presenting at the **National Association for Attorneys General annual Capital Forum** (December 2025, Washington, DC). Potential topics should align with the Forum's themes and could include: the Justice Gap, legal assistance to special populations, or expanding access to justice through innovation, pro bono, or other means.

OPERATIONS & REGULATIONS COMMITTEE

October 7, 2024

Agenda

OPEN SESSION

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting on July 23-24, 2024
3. Briefing on proposals to revise 45 C.F.R. Parts 1621—Client Grievance Procedures and 1624—Prohibition Against Discrimination on the Basis of Disability
 - *Stefanie Davis, Deputy General Counsel and Ethics Officer, Office of Legal Affairs*
 - *Brittany Sims Nwankwoala, Assistant General Counsel, Office of Legal Affairs*
4. Public comment
5. Consider and act on other business
6. Consider and act on adjournment of meeting

GOVERNANCE AND PERFORMANCE REVIEW COMMITTEE

October 8, 2024

Agenda

OPEN SESSION

1. Approval of Agenda
2. Approval of Minutes of the Committee's Meeting on June 27, 2024
3. Report on U.S. Department of Justice's Access to Justice Office and White House Legal Aid Interagency Roundtable (LAIR)
 - *Ron Flagg, President*
 - *Carol Bergman, Vice President, Government Relations & Public Affairs*
4. Update on White House Transition Plans
 - *Carol Bergman, Vice President, Government Relations & Public Affairs*
5. Preview of Annual Board and Committee Evaluation Process
 - *Carol Bergman, Vice President for Government Relations & Public Affairs*
6. Public Comment
5. Consider and Act on Other Business
6. Consider and Act on Motion to Adjourn the Committee Meeting

INSTITUTIONAL ADVANCEMENT COMMITTEE

October 15, 2024

Agenda

OPEN SESSION

1. Approval of Agenda
2. Approval of Minutes of the Institutional Advancement Committee's Open Session Meeting on July 11, 2024
3. Update on Leaders Council and Emerging Leaders Council
 - John G. Levi, Chairman of the Board
4. Development Report
 - Nadia Elguindy, Director of Institutional Advancement
5. Public Comment
6. Consider and Act on Other Business
7. Consider and Act on Motion to Adjourn the Open Session Meeting and Proceed to a Closed Session

CLOSED SESSION

8. Approval of Minutes of the Institutional Advancement Committee's Closed Session Meeting on July 11, 2024
9. Development Report
 - Nadia Elguindy, Director of Institutional Advancement
10. Consider and Act on Motion to Approve Leaders Council and Emerging Leaders Council Invitees
11. Consider and Act on Other Business
12. Consider and Act on Motion to Adjourn the Meeting



Privately Funded Projects Report as of October 2024

CURRENT PROJECTS & TASK FORCES (TIME-LIMITED)

Project Name: Midwest Legal Disaster Coordination Project IV

Donor: Margaret A. Cargill Philanthropies

Grant Amount: \$1,500,000

Project Timeline: February 1, 2023 – January 31, 2026

The Midwest Legal Disaster Coordination Project IV aims to develop a comprehensive disaster preparedness network focusing on underserved communities in the Midwest disaster region. The project expands disaster preparedness into additional states, develops a rapid response team of disaster experts, and builds and expands technological and online resources. LSC has awarded grants totaling \$1,112,000 to four new grantees in three states: East River Legal Services (\$294,250), Legal Services of North Dakota (\$210,350), Justice North (formerly Legal Aid Services of Northeastern Minnesota) (\$312,246), and Legal Services of Northwest Minnesota (\$290,154).

Significant progress has been made in expanding disaster preparedness capacity within the Midwest region. All four grant recipients are new to MACP funding, marking a significant milestone in their organizational development. LSC has established mentorship agreements, pairing Legal Services of North Dakota (LSND) and East River Legal Services (ERLS) with Legal Aid of Nebraska (LAN), and Legal Aid Service of Northeastern Minnesota (LASNEM) and Legal Services of Northwest Minnesota (LSNM) with Iowa Legal Aid (ILA). These mentorship arrangements provide tailored guidance and support, ensuring robust disaster preparedness and response capabilities.

The grantees have made substantial strides in outreach, establishing connections with key partners such as the Red Cross, ABA YLD, Volunteer Agency Liaisons, NVOAD, and emergency managers. They have also bolstered their organizational capacity through strategic hiring, including dedicated disaster project coordinators and lead attorneys. The impact of these enhancements has already been evident, with LASNEM and ERLS effectively responding to a Major Disaster Declaration in their service areas this summer.

LSC continues to foster the maintenance of disaster preparedness programs across the 10-state Midwest Disaster region. Grantees are collaborating with their mentors to develop extensive training curricula on disaster legal issues. LSC has provided additional resources and training, including sessions on FEMA appeals and utilizing the Legal Aid Disaster Resource Center (LADRC) and Heartland Disaster Help. Efforts have also been made to develop organization-specific outreach materials and comprehensive awareness plans for National Preparedness Month this September.

LSC has expanded its role at the national level around disaster preparedness. We have conducted impactful sessions on Heartland Disaster Help, LADRC, and legal issue spotting at several high-profile events. Significant enhancements have been made to Heartland Disaster Help, including the addition of property specific disaster risk data for mobile home communities and detailed air quality information.

Project Name: LSC Opioid Task Force – Training on Opioid Use Disorder

Donor: The Sidley Foundation (\$11,605); LSC (\$14,395)

Grant Amount: \$20,000

Project Timeline: September 2021 – May 2023

LSC's Opioid Task Force issued its final report on June 12, 2019. The Task Force made 13 recommendations, including several directed at LSC itself. LSC staff are working to implement the Task Force's recommendations and have prioritized three activities: training; raising public awareness of the civil legal issues faced by individuals affected by the opioid epidemic; and securing funding for civil legal aid providers to assist individuals affected by the epidemic.

LSC staff continues to coordinate a group of grantees and other stakeholders who have received or are pursuing opioid settlement funds to provide legal assistance to individuals with opioid use disorder and their families. The group includes LSC's grantees in Texas, Kentucky, Louisiana, Arkansas, and West Virginia and has expanded to include the National Legal Aid and Defender Association, Tennessee Alliance for Legal Services, Kentucky Equal Justice Center, and the O'Neill Institute for National and Global Health at Georgetown Law. The group met in mid-April to discuss development of a white paper to educate state opioid abatement councils about the importance of funding civil legal aid as an opioid abatement strategy.

For the fifth consecutive year, Deputy General Counsel Stefanie Davis chaired an annual, nationally broadcast [training](#) on substance use disorders (SUD) for legal aid and pro bono attorneys. The training is offered by the Practising Law Institute. This year's training occurred the afternoon of Wednesday, July 31 and is available on-demand. The training covered the science of SUD, including the use of medications to treat opioid use disorder; civil legal issues faced by people with SUD; and the ethical issues involved in representing people with SUD.

In conjunction with Beyond Opioids and the Disability Rights Program at the American Civil Liberties Union, LSC developed a panel proposal for the 2025 Rx and Illicit Drug Summit. The Rx Summit is a convening of stakeholders including mental health and recovery specialists; medical professionals; law enforcement personnel; public health officials; and federal, state, and local officials and lawmakers. The proposal touches on the three prongs that many of LSC's presentations on this topic cover: (1) a basic understanding of the civil legal issues experienced by people with SUD; (2) identifying the civil legal aid providers in the audience members' respective service areas; and (3) models for collaborating with legal aid attorneys to eliminate legal barriers to treatment and recovery. The summit will take place in April 2025 in Nashville, TN. We are awaiting a decision about whether the proposal was accepted.

Project Name: LSC Rural Justice Task Force

Donor: Ascendium Education Group, Inc.

Project Amount: \$100,000

Project Timeline: November 2021 – 2025

Total project costs as of Sept. 2024: \$60,152

The Board of Directors created the [Rural Justice Task Force](#) (RJTF) to explore challenges associated with providing high-quality legal services in rural and remote areas. Father Pius Pietrzyk and Rebecca Rapp co-chair the project, and Abby Kuzma is a task force member. Rebecca's organization, Ascendium Education Solutions is generously funding the project, and her colleagues from Ascendium's internal communications division are offering pro bono graphic design services. Attorneys from Quarles & Brady LLP provided early pro bono research and editorial assistance and remain very engaged partners. In September, task force members were invited to review a comprehensive draft report. We anticipate receipt of members' feedback in mid- to late-October 2024. We also asked important partners, such as the Office for Access to Justice at the U.S. Department of Justice, to participate in peer review.

Throughout the winter, LSC staff, with support from the editorial consultant with whom we've already been working, will assess the feedback received and implement any changes needed to finalize the report manuscript. We also will invite rural practitioners who may not have served on the task force but whose work/ organizations we feature (e.g., Frontline Justice, Illinois State Bar Association's Rural Practice Fellowship Program) to verify the accuracy of any content and citations. This step provides an added benefit of continuing to build excitement about an early-2025 publication release.

Report release and promotion plans will be incorporated into LSC's Dynamic Strategic Communications Plan for 2025. An initial working draft of this plan was shared with the Communications Subcommittee on October 7 ([see packet here](#)), and staff will continue to share the plan on a quarterly basis. We welcome feedback on the plan and any suggestions for ensuring the RJTF report has the widest audience and impact as possible.

Project Name: LSC Veterans Task Force

Donor: The DLA Piper Foundation

Project Amount: \$100,000

Project Timeline: February 7, 2020 – May 31, 2021

Project Implementation Timeline: Ongoing

LSC's Veterans Task Force was created to: (1) explore the legal needs of low-income veterans; (2) examine existing models to address legal needs; and (3) identify best practices for legal services providers to replicate or develop new models that will better address veterans' legal needs. Total project costs to date are \$8,700.

The Task Force implementation team is collaborating with LSC grantees to hold two Veterans-focused legal clinics using the Veterans Task Force team's model. The first clinic will occur on Friday, November 8, in Augusta, GA. Georgia Legal Services Program is hosting the clinic and building on the experience gained during last year's highly successful clinic in Warner-Robins, GA. The second clinic will occur on Thursday, November 21, at the Fayetteville VA Medical Center. The clinic is being organized by Helen Gratil, director of the Beyond Opioids Project housed at the Center for Arkansas Legal Services, and represents the first integration of the Opioid Task Force and the Veterans Task Force implementation teams' work. The implementation team will meet with organizers of both clinics on September 27, 2024. Both clinics will further test the toolkit developed by the Veterans Task Force implementation team.

Project Name: Civil Court Data Initiative

Donors: Mellon Foundation (\$305,000), Hewlett Foundation (\$100,000), Ford Foundation (\$250,000)

Grant Amount: \$455,000

Project Timeline: October 1, 2021 – June 30, 2024

Since its inception in 2019, the Civil Court Data Initiative, led by Lynn Jennings and Holly Stevens, has significantly expanded its reach. CCDI now includes data from 1,290 counties across 31 states and territories, providing vital insights to legal aid providers, researchers, and policymakers to address national civil legal issues. This quarter, the initiative secured additional funding and entered new partnerships to further enhance its impact.

New Funding and Partnerships:

- **Additional Mellon Foundation Funding:** We are excited to announce a \$600,000, three-year renewal grant from the Andrew W. Mellon Foundation to support the expansion of CCDI. This funding will help develop the Civil Justice Data Hub, a centralized, self-serve platform for legal aid organizations, policymakers, and community-based groups. The hub will offer curated data tools to explore civil legal needs, helping address the justice gap.
- **HHS/ACL Guardianship Project:** Additionally, LSC secured \$286,260 from the Administration for Community Living (ACL) to explore the landscape of adult guardianship in collaboration with our CCDI work. This one-year project will examine key issues, including the volume and trends of guardianship petitions, representation rates, and the roles of healthcare and family systems in the process. The findings will inform stakeholders and policymakers to foster more equitable and informed guardianship decisions.

With the new funding and expanded scope of work, LSC will hire additional staff and further develop our data architecture to support these initiatives. We look forward to providing more updates as these projects progress and our analytical capabilities continue to grow.

ACTIVE ONGOING PROJECTS***Project Name: Rural Summer Legal Corps (RSLC)***

Donors: Unrestricted Private Funds

Grant Amount: \$1,539,400

Project Timeline: Annually since summer 2016

The Rural Summer Legal Corps (RSLC) program places exceptional rising second and third-year law students in summer fellowships with LSC grantees that serve rural populations. The program is a privately funded initiative that connects law students with legal aid programs to address the civil legal needs of rural America. In partnership with Equal Justice Works, up to 50 LSC grantees select 50 law students to spend their summer working at LSC grantees in rural areas. LSC will provide a grant amount of \$415,000 to Equal Justice Works for the 2025 program to publicize the RSLC, recruit qualified candidates, administer the online application system, train on reporting guidelines, enter into agreements with the fellows and host sites, and assist LSC with training.

The 2024 Rural Summer Legal Corps fellows have completed their summer of service. LSC and Equal Justice Works are in the process of conducting an evaluation of the 2024 program

through surveys to the fellows and to the 2024 host sites. Results will be available later this year.

The application for LSC grantees to host an RSLC fellow in 2025 launched on September 25, 2024. Applications will close on October 23, 2024. The host site application review team will be staffed by:

- **Laurel Freeman**, Institutional Advancement Associate,
- **Elena DiTraglia**, Executive Coordinator,
- **Lynn Jennings**, Vice President for Grants Management; and
- **Three Program Counsel** from the Office of Program Performance: **Mayuris Pimentel**, **Darlene Wright Powell**, and **Toni Alvin**.

In early December, the application review team will select up to 50 LSC grantees to host a fellow in the summer of 2025, and Equal Justice Works will open applications to student fellows in the new year.

Project Name: LSC Podcasts

Donor: Unrestricted Private Funds

Project Timeline: Ongoing

In August 2020, LSC launched its podcast series, [Talk Justice](#). The podcast features leaders in the legal, business, and government communities examining different aspects of access to justice.

In June 2022, LSC entered into an expanded production contract for \$60,000 with Legal Talk Network (LTN) that reduced demands on LSC staff and greatly increased the quality of our podcast and the audience reached. The contract was renewed in 2023. LSC also contracted with two new podcast hosts for up to \$12,000 each.

LSC is renewing the LTN contract in 2024 for \$62,000. The host contracts are being extended at current cost levels.

